



ChargePoint Reports Third Quarter Fiscal 2022 Financial Results; Raises Full-Year Revenue Guidance

- *Quarterly revenue increased 79% year over year*
- *Full-year revenue guidance raised to \$235 – \$240 million*
- *Activated ports of approximately 163,000 as of October 31; with approximately 45,000 in Europe*
- *Closed acquisitions of European e-mobility technology provider has-to-be and eBus and commercial vehicle management provider ViriCiti*

Campbell, Calif. – December 7, 2021 – **ChargePoint Holdings, Inc.** (NYSE:CHPT) (“ChargePoint”), a leading electric vehicle (EV) charging network, today reported results for its third quarter of fiscal 2022 ended October 31, 2021.

“ChargePoint has delivered another strong quarter, as we have continued to scale our commercial, fleet and residential verticals across two continents,” said Pasquale Romano, President and CEO of ChargePoint. “The investments we have made over many years have enabled us to capture charging demand from customers preparing for an electric future. This quarter we added more customers at an accelerated rate, while also successfully closing two acquisitions.”

Third Quarter Fiscal 2022 Financial Overview

- **Revenue.** For the third quarter, revenue was \$65.0 million, an increase of 79% from \$36.4 million in the prior year’s same quarter. Networked charging revenue for the third quarter was \$47.5 million, an increase of 111% from \$22.6 million and subscription revenue was \$13.4 million, up 24% from \$10.8 million in the prior year’s same quarter. Revenue growth was significant in North America and Europe across ChargePoint's commercial, fleet and residential verticals.
- **Gross Margin.** Third quarter GAAP gross margin was 25%, up from 20% in the prior year's same quarter primarily as a result of product cost improvements and the impact of acquisitions. Third quarter non-GAAP gross margin, which primarily excludes stock-based compensation expense and amortization from acquired intangible assets, was 27% compared to 20% in the prior year's same quarter.
- **Net Income/Loss.** Third quarter GAAP net loss was \$69.4 million, which included a \$2.4 million loss from the change in fair value of warrant liabilities and \$16.0 million in stock-based compensation expense. Non-GAAP pre-tax net loss, which excludes stock-based compensation expense and other items, in the third quarter was \$47.3 million as compared to \$32.5 million in the prior year's same quarter.
- **Liquidity.** As of October 31, 2021, cash on the balance sheet was \$365.9 million following approximately \$210 million of cash payments for both acquisitions.
- **Shares Outstanding.** As of October 31, 2021, there were approximately 331 million shares of common stock outstanding.

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

Fourth Quarter and Full-year Guidance

ChargePoint expects revenue of \$73 - \$78 million for its fourth quarter ending January 31, 2022, and is raising its full year revenue outlook to \$235 - \$240 million, from \$225 - \$235 million, for the fiscal year ending January 31, 2022.

Conference Call Information

ChargePoint will host a webcast today at 1:30 p.m. Pacific / 4:30 p.m. Eastern to review its third quarter fiscal 2022 financial results and its outlook for the fourth quarter of and full-year fiscal 2022.

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 a new fueling network to move 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 a comprehensive portfolio of charging solutions available today. ChargePoint's cloud subscription platform and software-defined charging hardware are designed to include options for every charging scenario from home and multifamily to workplace, parking, hospitality, retail and transport fleets of all types. Today, one ChargePoint account provides access to hundreds-of-thousands of places to charge in North America and Europe. To date, more than 98 million charging sessions have been delivered, with drivers plugging into the ChargePoint network every two seconds or less. For more information, visit the [*ChargePoint pressroom*](#), the [*ChargePoint Investor Relations*](#) site, or contact ChargePoint's [*North American*](#) or [*European*](#) press offices or [*Investor Relations*](#).

Forward-Looking Statements

This press release contains forward-looking statements that involve risks, uncertainties, and assumptions including statements regarding our financial outlook for the fourth fiscal quarter and fiscal year ending January 31, 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, including in our business and those of our customers and suppliers; political, economic, and business conditions; our limited operating history as a public company; our ability as an organization to successfully integrate ViriCiti and has-to-be and acquire and integrate other companies, products or technologies in a successful manner; 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 and expense increases; unexpected delays in new product introductions; our ability to expand our operations and market share 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 10-Q filed with the Securities and Exchange Commission (the "SEC") on September 10, 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 Profit (Gross Margin). ChargePoint defines non-GAAP gross profit as gross profit excluding amortization expense of acquired intangible assets, stock-based compensation expense, and non-recurring costs associated with restructuring. Non-GAAP gross margin is non-GAAP gross profit as a percentage of revenue.

Non-GAAP Cost of Revenue and Operating Expenses (includes Non-GAAP research and development, Non-GAAP sales and marketing and Non-GAAP general and administrative). ChargePoint defines Non-GAAP cost of revenue and operating expenses as cost of revenue and operating expenses excluding amortization expense of acquired intangible assets, stock-based compensation expense, earn-out-related payroll tax expense, non-recurring costs associated with restructuring and professional services fees related to acquisitions and security offerings.

Non-GAAP Net Loss. ChargePoint defines non-GAAP net loss as net income (loss) excluding amortization expense of acquired intangible assets, stock-based compensation expense and the associated stock-based payroll tax expense, non-recurring costs associated with restructuring, offering costs allocated to warrant liabilities or for share offerings, professional services fees related to acquisitions and security offerings, and non-cash charges related to the revaluation of warrants, earn-out liabilities, and other financial instruments. These amounts do not reflect the impact of any related tax effects. Non-GAAP pre-tax net loss is non-GAAP net loss adjusted for provision for income taxes.

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 stock-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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Contacts

Investor Relations

Patrick Hamer

VP, Capital Markets and Investor Relations

Patrick.Hamer@chargepoint.com

investors@chargepoint.com

Press

Jennifer Bowcock

VP, Communications

Jennifer.Bowcock@chargepoint.com

media@chargepoint.com

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

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|--|---|--------------------|--|---------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Revenue | | | | |
| Networked charging systems | \$ 47,511 | \$ 22,566 | \$ 115,185 | \$ 63,591 |
| Subscriptions | 13,397 | 10,782 | 36,303 | 29,597 |
| Other | 4,126 | 3,017 | 10,177 | 10,910 |
| Total revenue | 65,034 | 36,365 | 161,665 | 104,098 |
| Cost of revenue | | | | |
| Networked charging systems | 38,720 | 22,382 | 97,846 | 61,406 |
| Subscriptions | 7,637 | 5,322 | 21,107 | 14,547 |
| Other | 2,621 | 1,408 | 6,662 | 4,100 |
| Total cost of revenue | 48,978 | 29,112 | 125,615 | 80,053 |
| Gross profit | 16,056 | 7,253 | 36,050 | 24,045 |
| Operating expenses | | | | |
| Research and development | 36,751 | 18,919 | 102,535 | 54,071 |
| Sales and marketing | 24,361 | 12,134 | 62,258 | 37,301 |
| General and administrative | 20,268 | 8,790 | 57,467 | 18,345 |
| Total operating expenses | 81,380 | 39,843 | 222,260 | 109,717 |
| Loss from operations | (65,324) | (32,590) | (186,210) | (85,672) |
| Interest income | 25 | 18 | 72 | 298 |
| Interest expense | (3) | (815) | (1,502) | (2,443) |
| Change in fair value of redeemable convertible preferred stock warrant liability | — | (7,320) | 9,237 | (18,301) |
| Change in fair value of assumed common stock warrant liabilities | (2,429) | — | 30,911 | — |
| Change in fair value of contingent earnout liability | — | — | 84,420 | — |
| Transaction costs expensed | — | — | (7,031) | — |
| Other (expense) income, net | (2,025) | (85) | (2,200) | 46 |
| Net loss before income taxes | (69,756) | (40,792) | (72,303) | (106,072) |
| Provision for income taxes | (314) | 98 | (211) | 203 |
| Net loss | <u>\$ (69,442)</u> | <u>\$ (40,890)</u> | <u>\$ (72,092)</u> | <u>\$ (106,275)</u> |
| Accretion of beneficial conversion feature of redeemable convertible preferred stock | — | (1,752) | — | (60,377) |
| Cumulative undeclared dividends on redeemable convertible preferred stock | — | (3,960) | (4,292) | (3,960) |
| Deemed dividends attributable to vested option holders | — | — | (51,855) | — |
| Deemed dividends attributable to common stock warrants holders | — | — | (110,635) | — |
| Net loss attributable to common stockholders, basic | <u>\$ (69,442)</u> | <u>\$ (46,602)</u> | <u>\$ (238,874)</u> | <u>\$ (170,612)</u> |
| Gain attributable earnout shares issued | — | — | (84,420) | — |
| Change in fair value of dilutive warrants | — | — | (51,106) | — |
| Net loss attributable to common stockholders, diluted | <u>\$ (69,442)</u> | <u>\$ (46,602)</u> | <u>\$ (374,400)</u> | <u>\$ (170,612)</u> |
| Net loss per share - Basic | <u>\$ (0.21)</u> | <u>\$ (3.11)</u> | <u>\$ (0.84)</u> | <u>\$ (12.59)</u> |
| Net loss per share - Diluted | <u>\$ (0.21)</u> | <u>\$ (3.11)</u> | <u>\$ (1.28)</u> | <u>\$ (12.59)</u> |
| Weighted average shares outstanding - Basic | 325,034,920 | 14,990,866 | 286,025,483 | 13,550,552 |
| Weighted average shares outstanding - Diluted | 325,034,920 | 14,990,866 | 292,575,318 | 13,550,552 |

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

| | <u>October 31, 2021</u> | <u>January 31, 2021</u> |
|--|-------------------------|-------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 365,491 | \$ 145,491 |
| Restricted cash | 400 | 400 |
| Accounts receivable, net | 66,104 | 35,075 |
| Inventories | 29,893 | 33,592 |
| Prepaid expenses and other current assets | 32,695 | 12,074 |
| Total current assets | 494,583 | 226,632 |
| Property and equipment, net | 34,726 | 29,988 |
| Intangible assets, net | 147,439 | — |
| Operating lease right-of-use assets | 23,621 | 21,817 |
| Goodwill | 196,098 | 1,215 |
| Other assets | 12,620 | 10,468 |
| Total assets | \$ 909,087 | \$ 290,120 |
| Liabilities, Redeemable Convertible Preferred Stock, and Stockholders' Deficit | | |
| Current liabilities: | | |
| Accounts payable | \$ 32,084 | \$ 19,784 |
| Accrued and other current liabilities | 76,473 | 47,162 |
| Deferred revenue | 58,877 | 40,934 |
| Debt, current | — | 10,208 |
| Total current liabilities | 167,434 | 118,088 |
| Deferred revenue, noncurrent | 62,364 | 48,896 |
| Debt, noncurrent | — | 24,686 |
| Operating lease liabilities | 23,795 | 22,459 |
| Deferred Tax Liabilities | 35,962 | — |
| Common stock warrant liability | 29,282 | — |
| Redeemable convertible preferred stock warrant liability | — | 75,843 |
| Other long-term liabilities | 4,852 | 972 |
| Total liabilities | 323,689 | 290,944 |
| Redeemable convertible preferred stock | — | 615,697 |
| Stockholders' equity (deficit): | | |
| Common stock | 33 | 2 |
| Additional paid-in capital | 1,337,247 | 62,736 |
| Accumulated other comprehensive income (loss) | (376) | 155 |
| Accumulated deficit | (751,506) | (679,414) |
| Total stockholders' equity (deficit) | 585,398 | (616,521) |
| Total liabilities, redeemable convertible preferred stock, and stockholders' equity (deficit) | \$ 909,087 | \$ 290,120 |

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

| | Nine Months Ended October 31, | |
|--|----------------------------------|--------------|
| | 2021 | 2020 |
| Cash flows from operating activities | | |
| Net loss | \$ (72,092) | \$ (106,275) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 10,158 | 7,463 |
| Non-cash operating lease cost | 3,066 | 2,865 |
| Stock-based compensation | 51,893 | 3,308 |
| Amortization of deferred contract acquisition costs | 1,291 | 858 |
| Deferred tax benefit | (370) | — |
| Change in fair value of redeemable convertible preferred stock warrant liability | (9,237) | 18,301 |
| Change in fair value of common stock warrant liabilities | (30,911) | — |
| Change in fair value of contingent earnout liabilities | (84,420) | — |
| Transaction costs expensed | 7,031 | — |
| Other | 2,203 | 1,043 |
| Changes in operating assets and liabilities, net of effect of acquisitions: | | |
| Accounts receivable, net | (26,579) | 10,053 |
| Inventories | 3,498 | (5,975) |
| Prepaid expenses and other assets | (18,879) | (8,388) |
| Operating lease liabilities | (2,193) | (2,431) |
| Accounts payable | 10,633 | (2,397) |
| Accrued and other liabilities | 16,110 | 1,569 |
| Deferred revenue | 29,715 | 9,085 |
| Net cash used in operating activities | (109,083) | (70,921) |
| Cash flows from investing activities | | |
| Purchases of property and equipment | (12,064) | (8,913) |
| Maturities of investments | — | 47,014 |
| Cash paid for acquisition, net of cash acquired | (205,329) | — |
| Net cash (used in) provided by investing activities | (217,393) | 38,101 |
| Cash flows from financing activities | | |
| Proceeds from issuance of redeemable convertible preferred stock | — | 95,514 |
| Proceeds from issuance of common stock warrants, net of issuance costs | — | 31,545 |
| Proceeds from the exercise of public warrants | 118,845 | — |
| Merger and PIPE financing | 511,646 | — |
| Payment of deferred transaction costs | — | (513) |
| Payments of transaction costs related to Merger | (32,468) | — |
| Payment of tax withholding obligations on settlement of earnout shares | (20,895) | — |
| Repayment of borrowings | (36,051) | — |
| Proceeds from issuance of stock in connection with stock plans, net of withholding taxes | 4,214 | 2,201 |
| Change in driver funds and amounts due to customers | 1,933 | — |
| Net cash provided by financing activities | 547,224 | 128,747 |
| Effect of exchange rate changes on cash, cash equivalents, and restricted cash | (748) | 13 |
| Net increase in cash, cash equivalents, and restricted cash | 220,000 | 95,940 |
| Cash, cash equivalents, and restricted cash at beginning of period | 145,891 | 73,153 |
| Cash, cash equivalents, and restricted cash at end of period | \$ 365,891 | \$ 169,093 |

ChargePoint Holdings, Inc.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In thousands, unaudited)

| | Three Months Ended October 31, 2021 | | Three Months Ended October 31, 2020 | | Nine Months Ended October 31, 2021 | | Nine Months Ended October 31, 2020 | | | | | |
|---|--|---------------|--|-----------|--|--------------|--|----------------|--------------|-----------|----------------|--------------|
| Cost of Revenue: | | | | | | | | | | | | |
| GAAP cost of revenue | \$ | 48,978 | \$ | 29,112 | \$ | 125,615 | \$ | 80,053 | | | | |
| Stock-based compensation | | (885) | | (29) | | (3,073) | | (93) | | | | |
| Restructuring subsidies (1) | | — | | 49 | | — | | 100 | | | | |
| Amortization of intangible assets | | (426) | | — | | (426) | | — | | | | |
| Non-GAAP cost of revenue | \$ | 47,667 | \$ | 29,132 | \$ | 122,116 | \$ | 80,060 | | | | |
| Non-GAAP gross profit (gross margin as a percentage of | \$ | 17,367 | 27 % | \$ | 7,233 | 20 % | \$ | 39,549 | 24 % | \$ | 24,039 | 23 % |
| Operating Expenses: | | | | | | | | | | | | |
| GAAP research and development | \$ | 36,751 | \$ | 18,919 | \$ | 102,535 | \$ | 54,071 | | | | |
| Stock-based compensation | | (5,840) | | (448) | | (20,198) | | (1,205) | | | | |
| Restructuring subsidies (costs) (1) | | — | | 27 | | — | | (169) | | | | |
| Earn-out-related taxes (2) | | — | | — | | (358) | | — | | | | |
| Acquisition-related costs (3) | | — | | — | | (86) | | — | | | | |
| Cost related to secondary offering | | — | | — | | (80) | | — | | | | |
| Non-GAAP research and development (as a percentage of revenue) | \$ | 30,911 | 48 % | \$ | 18,498 | 51 % | \$ | 81,813 | 51 % | \$ | 52,697 | 51 % |
| GAAP sales and marketing | \$ | 24,361 | \$ | 12,134 | \$ | 62,258 | \$ | 37,301 | | | | |
| Stock-based compensation | | (2,251) | | (333) | | (7,018) | | (988) | | | | |
| Restructuring subsidies (costs) (1) | | — | | 143 | | — | | (68) | | | | |
| Earn-out-related taxes (2) | | — | | — | | (424) | | — | | | | |
| Acquisition-related costs (3) | | — | | — | | (43) | | — | | | | |
| Cost related to secondary offering | | — | | — | | (40) | | — | | | | |
| Amortization of intangible assets | | (1,092) | | — | | (1,092) | | — | | | | |
| Non-GAAP sales and marketing (as a percentage of revenue) | \$ | 21,018 | 32 % | \$ | 11,944 | 33 % | \$ | 53,641 | 33 % | \$ | 36,245 | 35 % |
| GAAP general and administrative | \$ | 20,268 | \$ | 8,790 | \$ | 57,467 | \$ | 18,345 | | | | |
| Stock-based compensation | | (7,046) | | (398) | | (21,604) | | (1,022) | | | | |
| Restructuring costs (1) | | — | | 27 | | — | | (339) | | | | |
| Earn-out-related taxes (2) | | — | | — | | (713) | | — | | | | |
| Acquisition-related costs (3) | | (2,435) | | — | | (5,118) | | — | | | | |
| Cost related to secondary offering | | (15) | | — | | (2,517) | | — | | | | |
| Non-GAAP general and administrative (as a percentage of revenue) | \$ | 10,772 | 17 % | \$ | 8,419 | 23 % | \$ | 27,515 | 17 % | \$ | 16,984 | 16 % |
| Non-GAAP Operating Expenses (as a percentage of revenue) | \$ | 62,701 | 96 % | \$ | 38,861 | 107 % | \$ | 162,969 | 101 % | \$ | 105,926 | 102 % |
| Net Loss: | | | | | | | | | | | | |
| GAAP net loss | \$ | (69,442) | \$ | (40,890) | \$ | (72,092) | \$ | (106,275) | | | | |
| Stock-based compensation | | 16,022 | | 1,208 | | 51,893 | | 3,308 | | | | |
| Restructuring subsidies (costs) (1) | | — | | (246) | | — | | 476 | | | | |
| Earn-out-related taxes (2) | | — | | — | | 1,495 | | — | | | | |
| Acquisition-related costs (3) | | 2,435 | | — | | 5,247 | | — | | | | |

| | Three Months Ended October 31, 2021 | | Three Months Ended October 31, 2020 | | Nine Months Ended October 31, 2021 | | Nine Months Ended October 31, 2020 | |
|--|--|--------------|--|--------------|--|--------------|--|--------------|
| Cost related to secondary offering | 15 | | — | | 2,637 | | — | |
| Amortization of intangible assets | 1,518 | | — | | 1,518 | | — | |
| Change in fair value of preferred stock warrant liability | — | | 7,320 | | (9,237) | | 18,301 | |
| Change in fair value of assumed common stock warrant liability | 2,429 | | — | | (30,911) | | — | |
| Change in fair value of contingent earn-out liability | — | | — | | (84,420) | | — | |
| Offering costs allocated to warrant liabilities | — | | — | | 7,031 | | — | |
| Non-GAAP net loss (as a percentage of revenue) | \$ (47,023) | (72)% | \$ (32,608) | (90)% | \$ (126,839) | (78)% | \$ (84,190) | (81)% |
| Provision for income taxes | (314) | | 98 | | (211) | | 203 | |
| Non-GAAP pre-tax net loss (as a percentage of revenue) | \$ (47,337) | (73)% | \$ (32,510) | (89)% | \$ (127,050) | (79)% | \$ (83,987) | (81)% |

- (1) Consists of restructuring costs for severances and related termination costs, net of any governmental assistance programs.
- (2) Consists of employment taxes paid related to shares issued as part of the earnout.
- (3) Consists of professional services fees related to acquisitions.