

The CTEK logo is displayed in the top right corner in a white, bold, sans-serif font. The background of the slide is a photograph of a person's arm holding a black CTEK battery charger next to a car's wheel in a grassy field.

CTEK

Interim Report – Q3

10 November 2021

Today's presenters



JON LIND
CEO

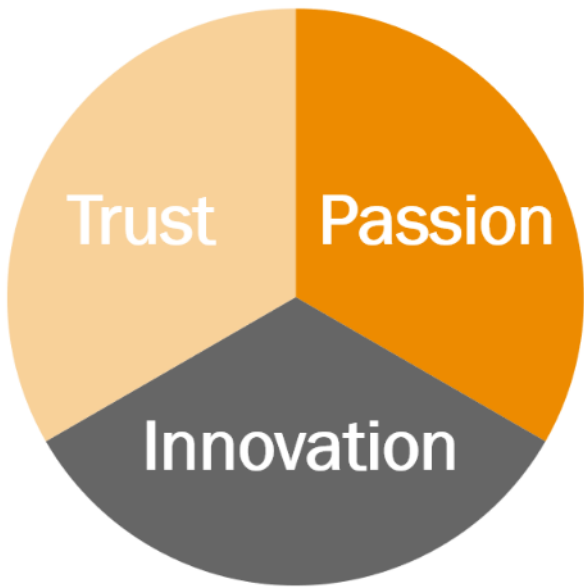
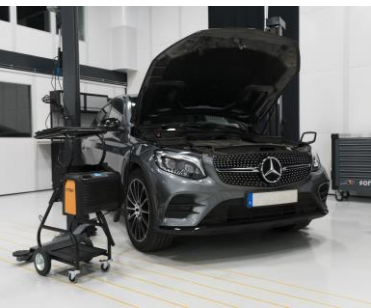


MARCUS LORENDAL
CFO





**WE ARE LEADERS
AND PIONEERS IN
VEHICLE
CHARGING
SOLUTIONS**



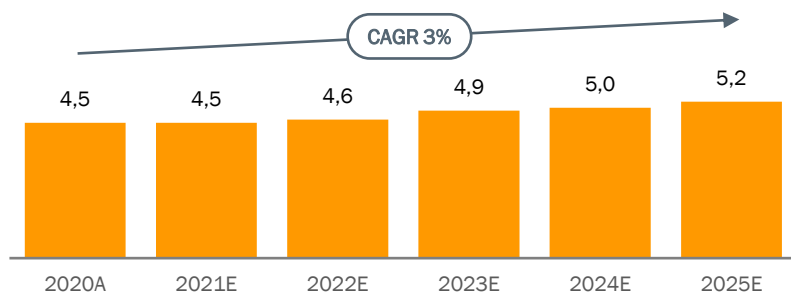
CTEK



Global market leader in growing market with proven resilience

Growing demand for premium low voltage chargers

Global market size for premium 12V battery chargers (SEK billion)



THE LOW VOLTAGE MARKET GROWTH IS DRIVEN BY...



Advanced
technology in
car parc

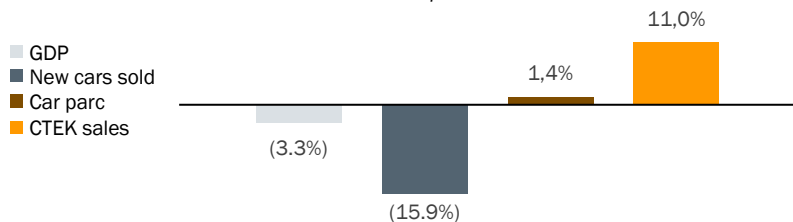


New battery
technology



Changing
product mix

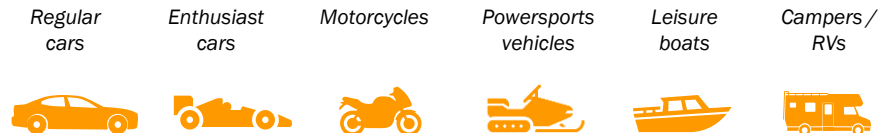
RESILIENT AGAINST DECREASE IN GLOBAL NEW CAR SALES AND GDP
COVID-19 pandemic 2020



CTEK is the global market leader within the low voltage market



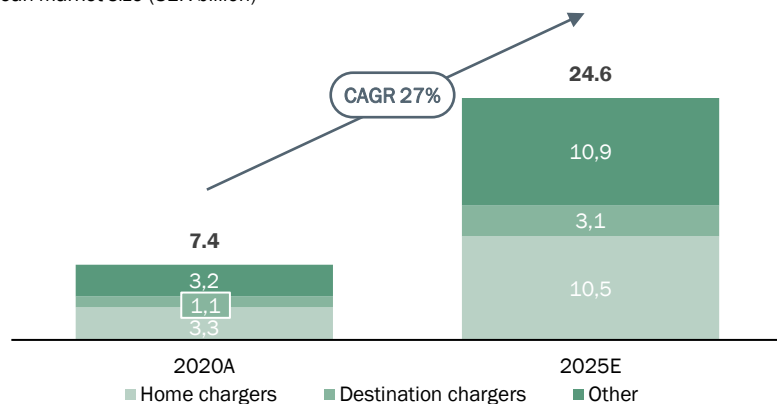
12V BATTERIES IS USED IN ALL KINDS OF VEHICLES



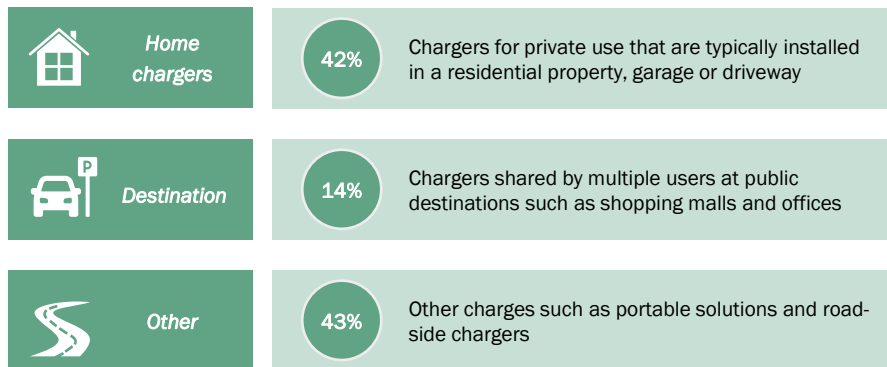
Unique position in the rapidly growing EVSE market

The EVSE market is expected to grow to SEK ~25 billion in 2025

European market size (SEK billion)²⁾



SHARE OF MARKET¹⁾



CTEK is in a unique position to capture on the EVSE growth

CTEK

Organisational presence

Worldwide presence in more than 70 countries

Track record

Proven track record of innovation and profitable growth since 1997

Established sales channels

Relationships in place with over 50 OEMs and more than 200 retailers, e-tailers and distributors

Dual outlet chargers

In addition to single outlet chargers, CTEK offers dual outlet chargers

Portable chargers

State-of-the-art portable solution with industry-leading technology

Load balancing feature

Unique and dynamic load balancing function

Backend software solution

Leading backend software solution, enabling customers to operate, monitor and administrate charging sessions

CTEK has a global presence, efficient sourcing model and established relationships

Sourcing

~20 years of external quality control and manufacturing in China

Monitored by locally present CTEK team



Vetted suppliers that hold quality certifications within relevant fields

Strong supplier relationships enable effective cost management, scalability and flexibility

Organisation

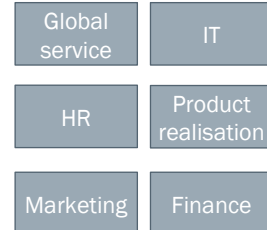
Full control from design to production

76 active patents

37% of workforce in R&D

R&D and Design →

Central functions →



Technologies

18%

Share of sales

EVSE

EV chargers
Software
Accessories

CTEK

Consumer
Professional
Client brand
Integrated solutions

Share of sales

82%

Low voltage

Divisions

475 E&F customers

E&F

Charging point operators

VATTENFALL

Electrical wholesalers

YES55

Installers/electricians

AV-line

Property owners

LUNDBERGS FASTIGHETER

Parking owners

Stockholm Parking

Occupiers

NTM

EVSE

200+ AM retailers, online & distributors

AM

Retailers

JULA

Mekonomen

Pure play online

amazon

EVSE

Low voltage

Distributors

KGK

Workshops/dealerships

FTZ

50+ OEM partnerships

OE

Automotive

Ferrari

Yamaha

Powersports

YAMAHA

EVSE

Low voltage

Other battery powered use

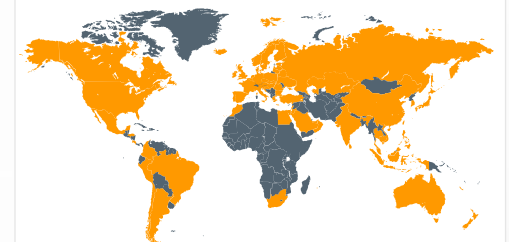
truma

Integrated solutions

VOLVO

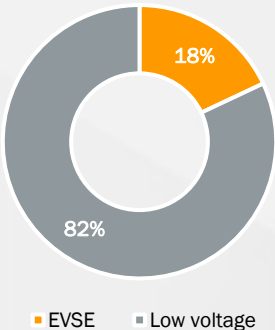
Geographical presence

CTEK presence in more than **70** countries



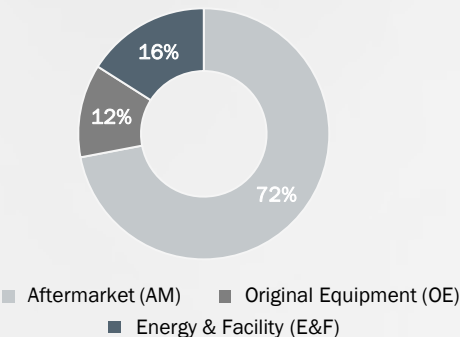
Global market leader for battery and vehicle charging

Sales by technology, YTD



Leading offerings in both EVSE and low voltage

Sales by division, YTD



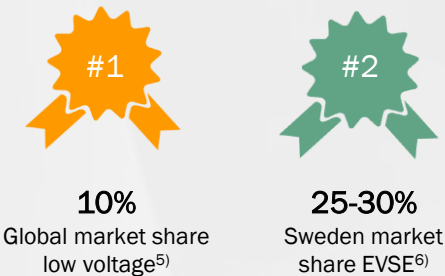
Established sales channels for vehicle chargers

EVSE business



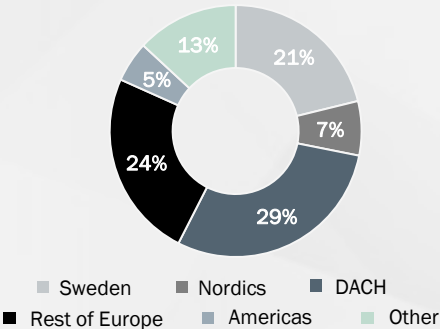
Over 50,000 installed charging points

Market position low voltage and EVSE



Global market leadership in low voltage

Sales by region, YTD



Presence in 70+ countries

Low voltage business



1+ million low voltage chargers sold in 2020

Being a responsible business is at the heart of what we do



**CONTRIBUTION TO THE EV SHIFT WITH CHARGING POINT OFFERING WHILE
EXTENDING LIFE SPAN OF BATTERIES**

>50,000

*Charging
points¹⁾*

~3x

*Extended
battery life*



ORGANISATION CENTRED AROUND EFFICIENT RESOURCE USAGE

15g

*Annual average
fleet reduction in
CO₂/km²⁾*

43%

*Reduction in
CO₂eq impact
from HQ³⁾*



HEALTH & SAFETY ARE OF GREATEST IMPORTANCE

**ALL MANAGERS HAVE A DELEGATED RESPONSIBILITY IN THEIR DEPARTMENTS
AND TO THE EMPLOYEES**

0.9%

*Monthly sick
leave⁴⁾*

8.1

*Score in
employee
health survey⁵⁾*



GOVERNANCE RESPONSIBILITY REFLECTED IN CTEK'S CODE OF CONDUCT (CoC)

ALL

*Employees and
stakeholders
must follow the
CoC⁶⁾*

0

*Governance
related issues⁷⁾*



ISO 9001 & 14001:2015 CERTIFIED SINCE 2012

1 of few

*ISO certified
battery charging
manufacturers⁸⁾*

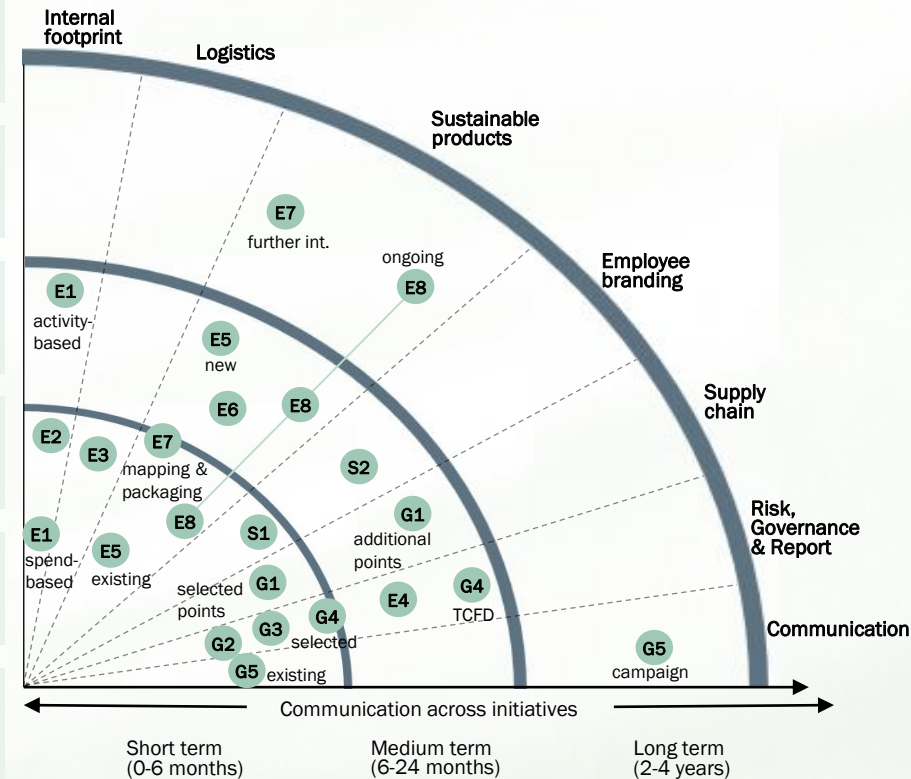
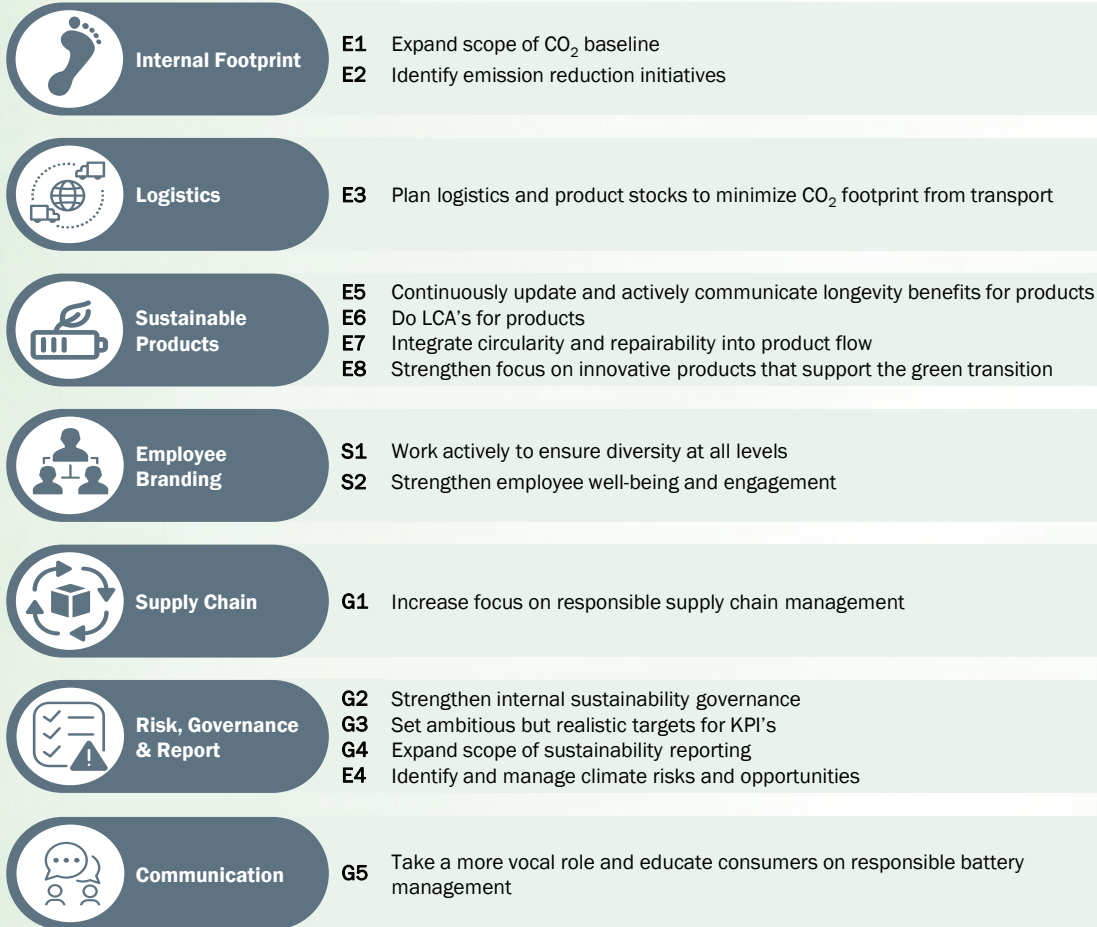
9

*Years of ISO
certification⁹⁾*



Note: 1) Including charging points sold as private label solution. 2) From 2018 to 2021. 3) From 2018 to 2020. 4) In 2020, sick leave was monitored monthly with a maximum target of 3.5%. 5) Annually conducted global employee psychosocial health survey with a score of 8.1 in 2020, where the Company consider a score of ≥ 7 to be good. 6) Tier 1 suppliers are required to follow CTEK's Code of Conduct, including zero tolerance for corruption, money laundering and conflicts of interest and adhere to anti trust, trade regulation and tax compliance. Sustainability was part of the supplier audits in 2019. 7) In 2020, there were no reported or suspected cases of governance related issues. 8) CTEK is one of few battery charging manufacturers certified according to ISO 9001 & 14001:2015 since 2012. 9) Certified since 2012. Source: Company information.

Well defined and concrete initiatives to contribute to a sustainable future



Interim Report – Q3



Operational highlights – Q3

- Continuing strong demand across all divisions – substantial supply chain disruptions in latter half of September and continued higher logistics costs.
- Higher export share in division Energy & Facilities and establishment of an EV business in Germany – the largest automotive market in Europe.
- Launch of CS ONE – the next generation of Low Voltage-chargers. The product is revolutionising in its simplicity and safety since the APTO technology it is based upon eliminates hazards related, for example, to type or size of the battery.
- CS FREE, the world's first multi-functional portable charger for maintaining 12V batteries without needing to connect to a power outlet, and NJORD GO, a portable charger for EV and hybrid vehicles offering the performance of a stationary charging station, warmly received by customers.
- IPO at Nasdaq Stockholm – logical and important step in the CTEK's development to establish a position as a global player in EVSE together with a new principal owner - Latour.

Continuing strong demand across all divisions

SEKm	2021 Q3	2020 Q3	2021 YTD	2020 YTD
AM	139.9	148.1	467.6	357.0
OE	25.1	21.9	78.7	62.0
E&F	38.4	19.4	104.0	57.0
Central	5.2	3.7	13.6	8.1
Total net sales	208.6	193.1	664.0	484.1
Gross margin	50.6%	53.6%	54.3%	53.5%
AM	49.3	67.3	188.4	145.8
OE	4.9	5.4	17.4	8.4
E&F	-4.2	-5.8	-13.2	-6.6
Adj. EBITDA pre OH costs	50.0	67.0	192.6	147.6
Overhead costs	(-15.3)	(-13.6)	(-35.8)	(-38.2)
Adj. EBITDA, group	34.7	53.3	156.8	109.4
Depreciations, non-acquisition related fixed assets	-9.7	-6.6	-27.0	-19.4
Adjusted EBITA, group	25.0	46.8	129.8	90.1
Items affecting comparability	-20.5	-	-40.4	-
EBITA, group	4.5	46.8	89.4	90.1
Financial net	-41.1	-23.9	-75.1	-58.1
Profit/loss before tax	-43.6	15.6	-7.2	10.1
Tax	11.8	-3.0	2.0	-2.0
Profit/loss for the period	-31.9	12.6	-5.3	8.2
EPS after dilution, SEK	-0.74	0.29	-0.12	0.19

Comments Q3

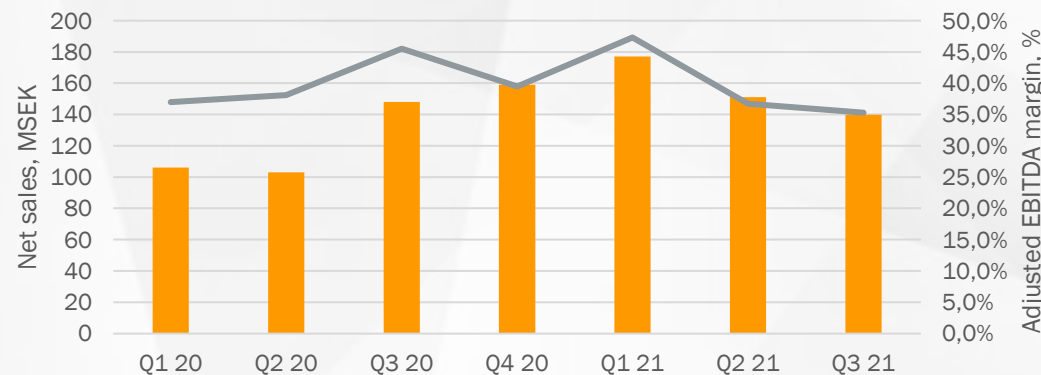
- Organic growth 9%, mainly driven by the Energy & Facilities division that almost doubled its net sales. Aftermarket impacted by substantial supply chain disruptions in latter half of September.
- Gross margin decreased with 3 p.p. to 50.6% due to higher logistic and components costs and product mix.
- Adjusted EBITA amounted to SEK 25m (47) impacted by lower gross margin and investments in the organisation.
- Items affecting comparability related to the IPO amounted to SEK -21m.
- Financial net includes a one-off cost of SEK 24m following IPO-refinancing.

Aftermarket

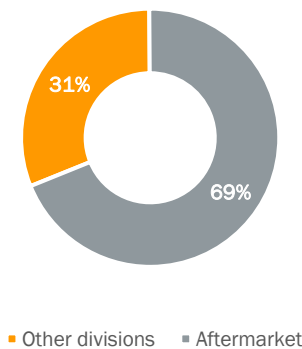
Sales impacted by substantial supply chain disruptions

- Net sales decreased by 6 per cent and amounted to SEK 140m (148) for the third quarter. The organic growth was -4 percent impacted by substantial supply chain disruptions in latter half of September.
- Adjusted EBITDA amounted to SEK 49m (67), corresponding to a margin of 35.3 per cent (45.5) impacted by lower sales and higher logistic costs.
- Net sales increased during the nine months by 31 percent to SEK 468m (357). The organic growth was 36 percent. Adjusted EBITDA increased to SEK 188m (146), corresponding to a margin of 40.3 percent (40.8).

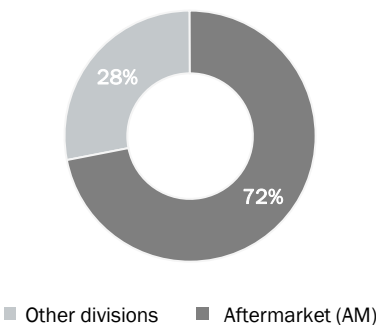
Net sales and adjusted EBITDA margin



Share of divisional sales Q3 – Aftermarket



Share of divisional sales YTD

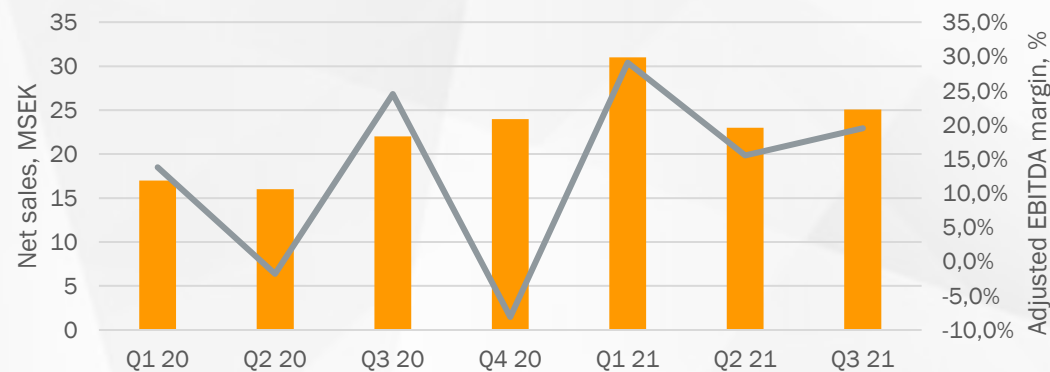


Original Equipment

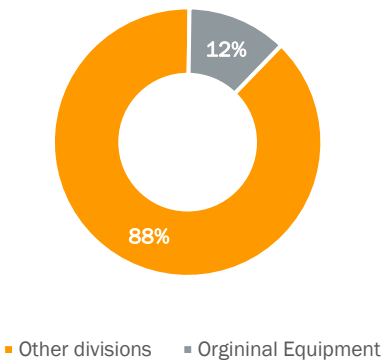
Increased deliveries to car manufacturers after the pandemic

- Net sales increased 14 percent and amounted to SEK 25m (22) for the third quarter. The organic growth was 16 percent.
- Adjusted EBITDA amounted to SEK 5m (5), corresponding to a margin of 19.5 percent (24.5).
- Net sales increased during the first nine months by 27 per cent and amounted to SEK 79m (62). The organic growth was 34 percent. Adjusted EBITDA increased to SEK 17m (8), corresponding to a margin of 22.1 percent (13.6).

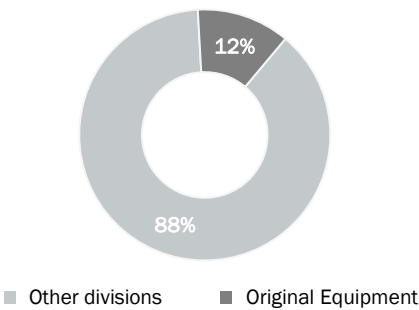
Net sales and adjusted EBITDA margin



Share of divisional Q3 – Original Equipment



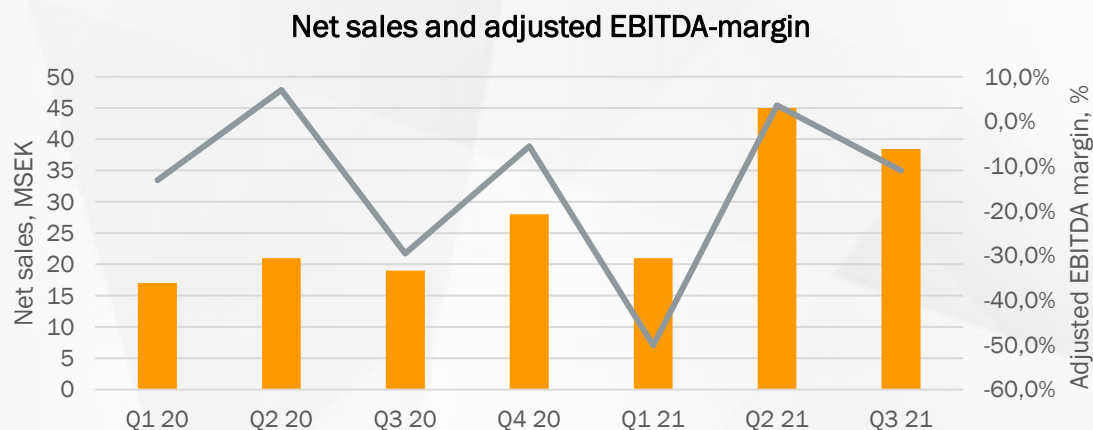
Share of divisional sales YTD



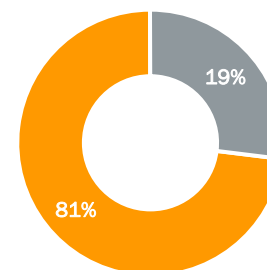
Energy & Facilities

High demand and almost doubled net sales

- Net sales increased 98 percent and amounted to SEK 38m (19) for the third quarter. The organic growth was 99 percent.
- Adjusted EBITDA amounted to SEK -4m (-6) driven by higher volume offset by further investments in the division. Segment margin amounted to -11.0 percent (-29.6).
- Net sales increased 83 percent during the first nine months and amounted to SEK 104m (57). The organic growth was 84 percent. Adjusted EBITDA decreased to SEK -13m (-7), corresponding to a margin of -12.7 percent (-11.5).

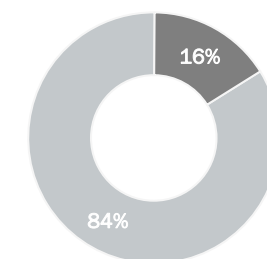


Share of divisional sales Q3 – Energy & Facilities



■ Other divisions ■ Energy & Facility

Share of divisional sales YTD



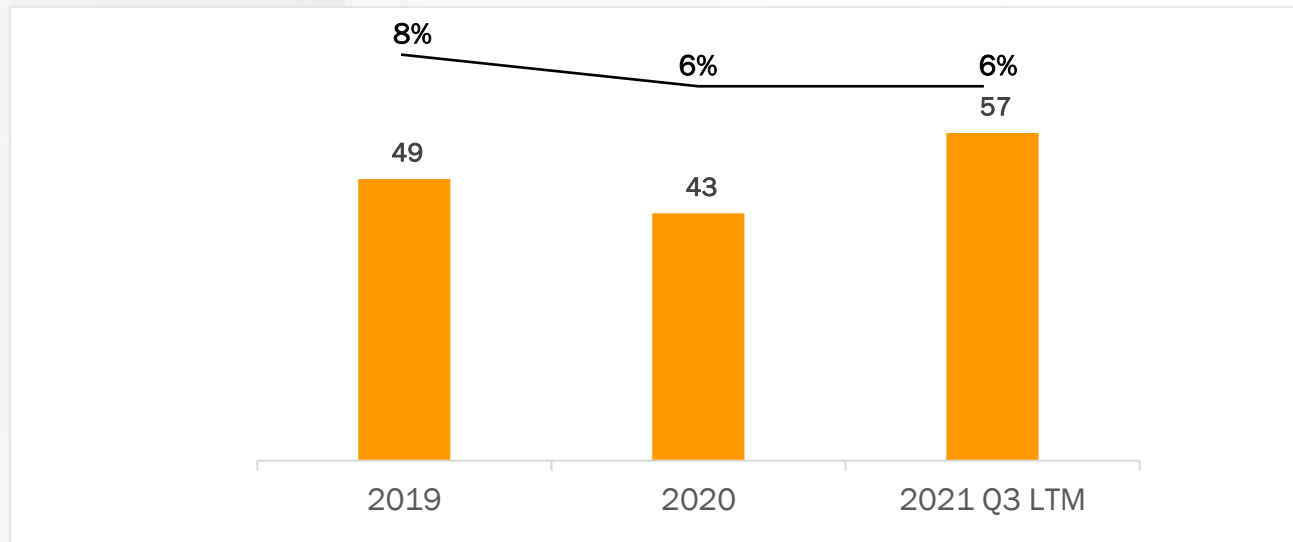
■ Other divisions ■ Energy & Facility

Cash flow and Capex

Development YTD

- Cash flow from operating activities amounted during the period to SEK -2m (47).
- Capex for the first nine months amounted to SEK -42m (-28).
- Cash flow for the period was -63m (17).
- Cash and cash equivalents at the end of the period amounted to 34m (65).
- Net debt ratio for the period was 2.3x (5.2).

Capital expenditure development



Current trading

- **Advanced market positions**
 - Enhanced visibility in online channels.
 - Strengthened relationships with both end consumers and a number of leading automobile manufacturers and major charge point operators.
- **Continuing strong demand across all divisions**
 - The long-term growth in our industry is driven by global electrification of the vehicle fleet. Increasingly intense climate debate and willingness both from politicians and from the business world to reduce the negative effects on the climate.
 - Strong demand in the Low Voltage segment thanks to the launch of new products (CS FREE & CS ONE) combined with a higher penetration rate in new markets.
- **Investments in the organisation and intensified marketing in new exporting markets**
- **Long-term strategic partnership with General Motors (GM)**
 - Dealer Community Charging Program and Ultium Chargers for EV charging stations for residential and commercial use.
 - The financial effect of the collaboration is already included in our current strategic plan and in the long-term financial targets.
 - Will be reported in the Original Equipment division from the second quarter 2022.
- **Refinancing gives lower interest costs going forward**
- **Supply chain disruptions and continued higher logistics costs will impact the business coming quarters**

Financial Targets and Strategy



Financial targets

Growth

- Achieve SEK 2bn in sales in the medium term with the majority stemming from EVSE products

Margin

- Achieve an adjusted EBITA margin of more than 25% in the medium term. Growth in the E&F division may impact in the short term

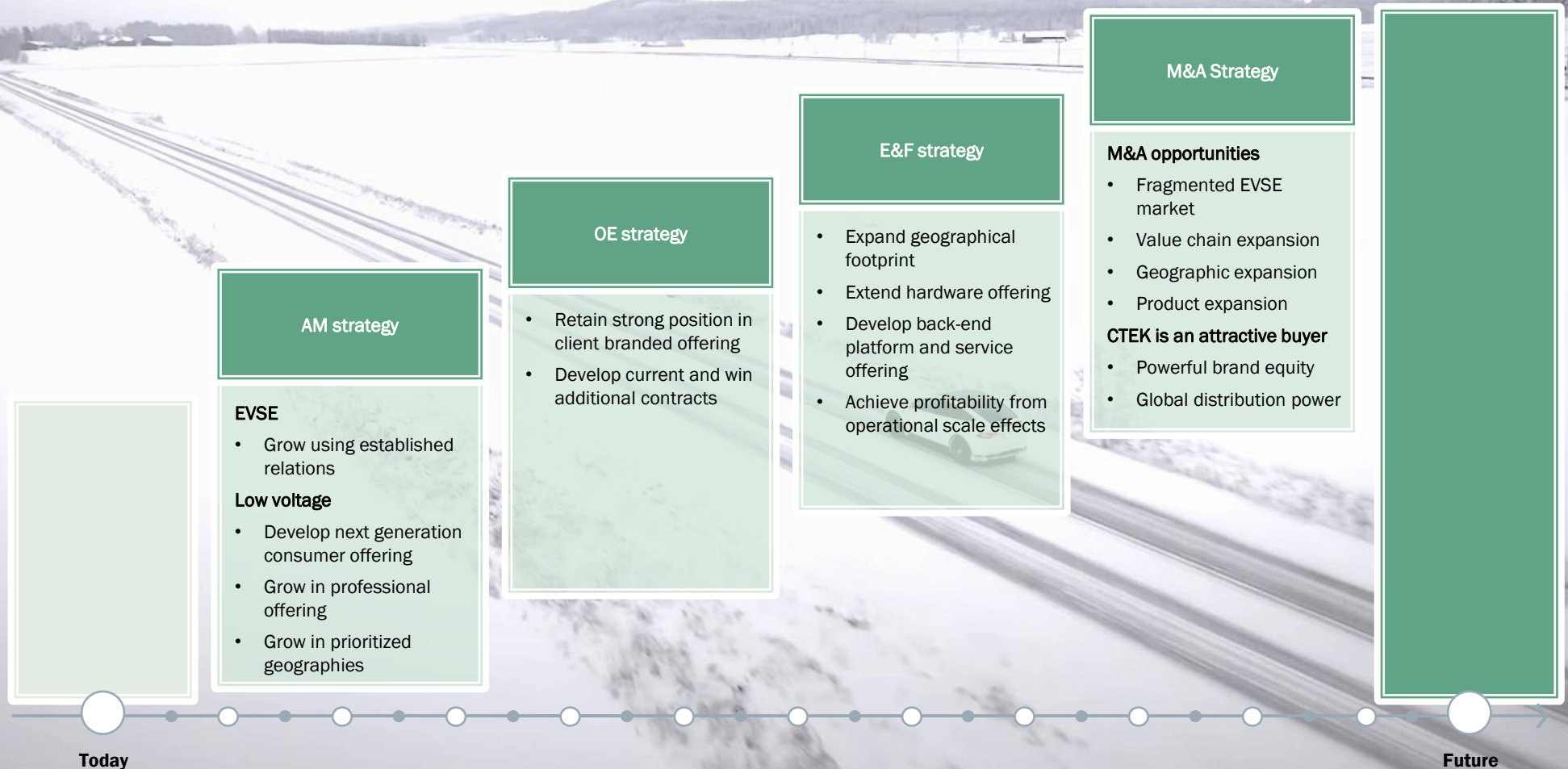
Capital structure

- Net debt shall amount to less than 3.0x LTM adjusted EBITDA, strategic decisions such as acquisitions can have a temporary impact

Dividend policy

- We invest our resources into growth and developing our business. In addition, we aim to pay out a dividend corresponding to 30% of net earnings

Strategy to leverage and continue to build on global market leadership in low voltage to accelerate EVSE growth



Investment case



EVSE market poised for high growth as EV penetration continues to increase, where CTEK is uniquely positioned

EVSE technology leadership coupled with strong brand equity and established AM/OE relationships

Global market leader in the growing resilient low voltage market driven by more advanced battery solutions and technology content in vehicles

The leading consumer brand with a broad low voltage offering including several new product launches

High quality in-house product development coupled with extensive knowledge and efficient sourcing model

Attractive financial profile with double digit sales growth, high margins, asset light business model and strong momentum

Strategy to build on leadership position across all regions, divisions and technologies to accelerate EVSE growth

Q & A:s

