CTEK

ANNUAL REPORT AND SUSTAINABILITY REPORT 2022

Contents

The statutory annual report can be found on pages 38-88. The corporate governance report on pages 17-28 and also the information on pages 7-16 are part of the management report of the statutory annual report.

CTEK 2022 – Overview

SEK 950 million
NET SALES

50.3 percent
GROSS MARGIN

SEK 79 million
ADJUSTED EBITA

-4 percent
ORGANIC GROWTH

26 percent
EVSE SHARE OF NET SALES

5.4x
NET DEBT/ADJUSTED EBITDA

- Net sales increased 3% to SEK 950 million (922 million). In organic terms, net sales decreased by 4 percent.
- Adjusted EBITA decreased to SEK 79 million (151 million), a margin of 8.3% (16.3).
- EBIT was SEK 36 million (82 million) and items affecting comparability were SEK -15 million (-40 million).
- Profit after tax was SEK 3 million (4 million) and earnings per share after dilution amounted to SEK 0.05 (0.10).
- Cash flow from operating activities amounted to SEK -47 million (-28 million).
- Net debt in relation to adjusted EBITDA was 5.4x (2.6).

PERFORMANCE MEASURES, GROUP

Amounts in SEK million	2022	2021
Net sales	950.1	921.8
Organic growth (%)*	-3.5	34.2
Net sales EVSE	236.9	163.2
EVSE share of net sales (%)	25.6	17.7
Gross margin (%)	50.3	52.9
Adjusted EBITDA	123.1	190.7
Adjusted EBITA*	79.2	150.7
Adjusted EBITA margin (%)	8.3	16.3
EBIT	36.2	81.8
Operating margin (%)	3.8	8.9
Earnings after tax, for the period	2.7	4.4
Earnings per share after dilution (SEK)	0.1	0.1
Cash flow from operating activities	-46.6	-28.4
Net debt/Adjusted EBITDA*	5.4x	2.6x

*) For definitions of key figures, see page 96.

Significant events during the year

Q1

Mathias Sandh assumes the position of Chief Financial Officer (CFO) and becomes a temporary member of the Group management.

CTEK CS ONE named best battery charger by the UK's best-selling motoring magazine, Auto Express.

CTEK partners with Fuuse for integrated charging, payment and billing for electric vehicles.

CTEK partners with Polarium to develop sustainable energy storage for electric vehicles.

Q2

CTEK appoints Thom Mathisen as new Chief Financial Officer (CFO).

CTEK delivers charging infrastructure for Europe's largest electric car garage in Stockholm.

CTEK celebrates its 25th anniversary.

Q3

CTEK is announced as a partner of the CE Dealer Team in the new electrified FIA World Rallycross Championship.

The first units of the basic version, the Ultium Charger electric vehicle charger developed in partnership with GM, were delivered.

CTEK named a finalist in the Automechanika awards for the CS ONE and NJORD GO products. The annual Automechanika Innovation Awards celebrate breakthrough innovations in the industry and the two CTEK products are among 35 finalists deemed outstanding by the Automechanika jury, selected from a record 133 nominations.

Q4

CTEK appoints Gary Brown as Global Director Aftermarket. Gary takes over from Jon Lind, who filled the role of Aftermarket Director since 2021 in parallel with his position as CEO. Gary Brown assumed the position on 1 November 2022 and becomes a regular member of the Group management.

CTEK is named winner of the SEMA Global Media Awards 2022 with its CS FREE charger.

CTEK partners with charging operator Mer Sweden, providing its state-of-the-art charging equipment and related software to meet the growing demand for electric vehicle charging infrastructure. Mer Sweden is part of Mer Group, the European EV charging group, and is one of the leading charge point operators for electric vehicles in Sweden.

Message from our CEO

2022 was another eventful year for CTEK. We celebrated our 25th anniversary with a history of innovation and technology leadership. We continued to work closely with our customers in the same spirit. We reached a milestone at the end of Q3 by initiating delivery of our Ultium Charger EV charger, developed in partnership with General Motors (GM).

The year was marked by continued supply chain challenges with component shortages, high logistics costs and a higher proportion of purchases outside framework agreements. Despite reduced activity in our Aftermarket division, due to the reduced purchasing power in the end-consumer segment, net sales increased by 3% to SEK 950 million. We are pleased to report that we continue our growth in EVSE (Electric Vehicle Supply Equipment), where net sales increased to SEK 237 million (SEK 163 million) and as a share of total net sales to 26% (18%).

Continued growth in EVSE

In Q4, CTEK entered a collaboration with the charge point operator Mer Sweden. We provide our state-of-the-art charging equipment and related software to meet the growing demand for electric vehicle charging infrastructure. Mer Sweden is part of Mer Group, the European EV charging group, and is one of the leading charge point operators for electric vehicles in Sweden.

Working with GM — valuable experience and solid expertise

Deliveries of the basic Ultium Chargers to GM have been on schedule since the end of the third quarter of the year. Both GM and the end-user market are satisfied with the product, which is gradually being delivered in increasing volumes. The collaboration started in 2020, and a number of factors have influenced the journey so far. In addition to being the first project of its kind for both CTEK and GM, the pandemic also had a major impact, causing disrupted supply chains, sharply increased component costs and challenging development work, resulting in an initially weak product margin. We are now working to significantly reduce the cost of the product, thereby improving our profitability. At the same time, we are planning the launch of another product for GM in the second quarter of 2023. The partnership with GM has provided valuable experience and solid expertise that allow us to approach the aftermarket and other vehicle manufacturers to expand in the segment in both the North American and European markets.

Financial challenges

Financial developments during the year have been challenging. We have entered a phase of slower private consumption and weaker construction activity. At the same time, the co-operation with GM has resulted in a significant and unexpected increase in resource commitment on the development side. Combined with the supply chain challenges resulting in higher costs and inventory levels, this has caused lower profitability and negative cash flow. We have initiated strong measures to improve profitability and cash flow. Together, our measures are expected to reduce operating costs by around SEK 80 million on an annual basis when we reach full effect, which is expected towards the end of 2023. We expect to generate a positive cash flow for the full year 2023.

Fortunately, our gross margins are stable on the existing product range, though the significantly changed product mix will have a negative impact on the Group's gross margin going forward.

Changes in management

In May, Thom Mathisen was appointed as the new Chief Financial Officer, starting in the third quarter of the year. In November, Gary Brown was appointed Global Director Aftermarket. Both individuals are now full members of the Group membership.

In January 2023, CTEK's Board of Directors and Jon Lind agreed that he would step down from his role as President and CEO, a position he had held since April 2013. The Board also appointed the undersigned as acting President and CEO starting 10 January 2023. The process of recruiting a new President and CEO has been initiated.

Fully guaranteed preferential rights issue

To increase our financial flexibility and leverage our significant potential — not least in the EVSE area — the Board of Directors announced on 8 February 2023 a preferential rights issue of SEK 350 million, fully guaranteed by Investmentaktiebolaget Latour and approved at an Extraordinary General Meeting on 3 March 2023. Prior to the rights issue, the Board of Directors has also reviewed the financial targets and revised one of them — the adjusted EBITA margin target is now 20 percent instead of the previous target of 25 percent.

History of innovation and technology leadership

During our long history, we have established a worldwide distribution network and close relationships with many of the world's largest vehicle manufacturers, creating a global, recognised brand. We also have a history of innovation and technology leadership that has continuously generated a strong product portfolio, both in EVSE and Low Voltage, thanks to the high level of expertise and hard work of our employees. Together with strong global macro trends that are favourable to us and the industry, this positions CTEK for profitable growth in the future.

Ola Carlsson, acting President and CEO

This is CTEK

BACKGROUND

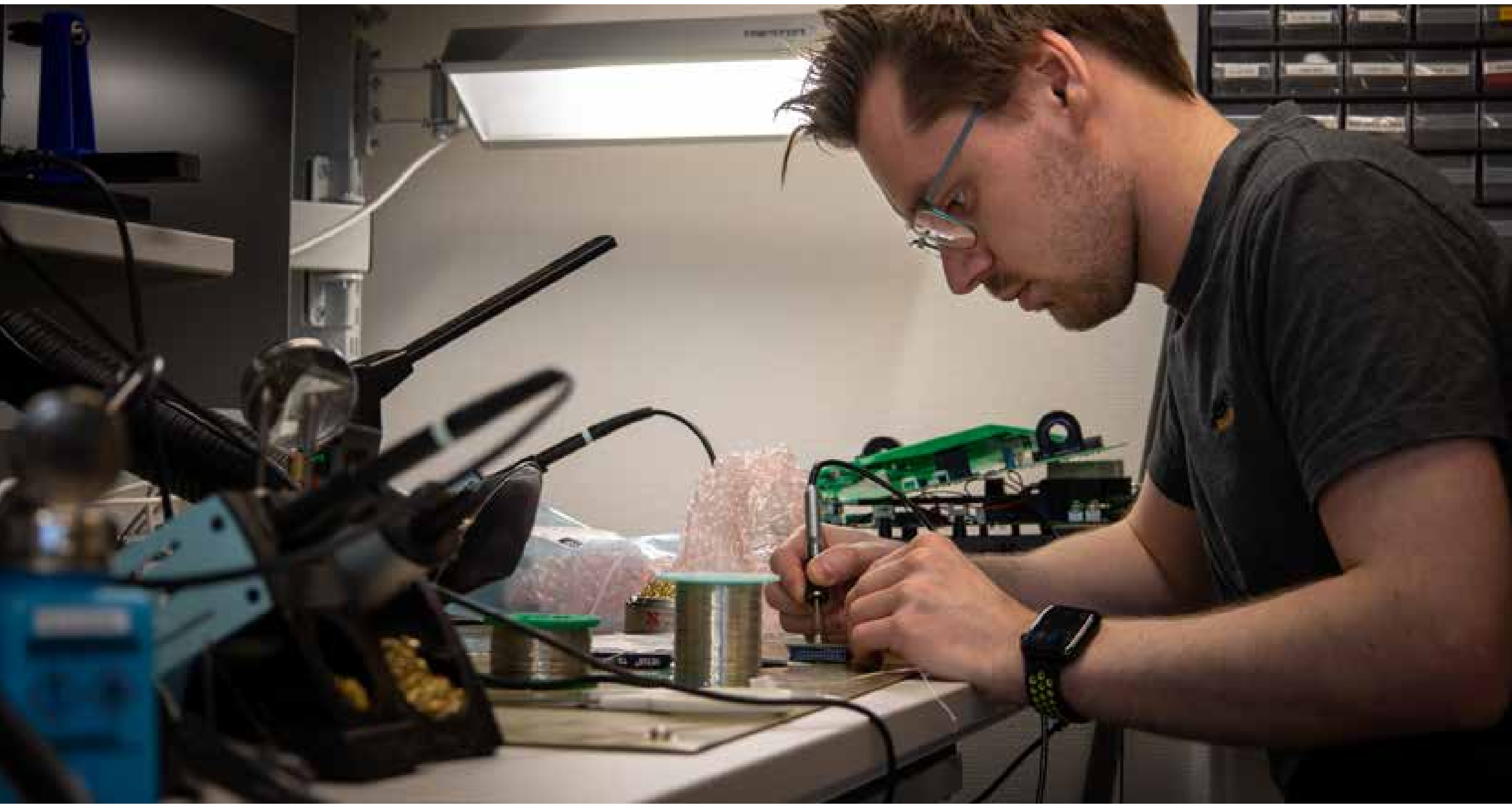
CTEK is a leading global supplier of battery chargers for various premium segment vehicles and one of Sweden's largest suppliers of chargers and accessories for electric vehicle charging. The company is defined by a strong innovation culture and works continuously to improve and develop new products to suit customer needs. CTEK was founded in 1997 in Vikmanshyttan and has sales in over 70 countries. With a history of innovation and technology leadership, the company proactively meets new customer needs by continuously evolving its product range and operations. Through its technology leadership, CTEK has established strong, long-standing customer relationships with over 50 of the world's most prestigious vehicle manufacturers. In addition to vehicle manufacturers, CTEK offers products to vehicle repair shops, distributors, retailers, charging point operators and property owners, among others.

PRODUCT DEVELOPMENT

CTEK secures its market position through technical excellence and a focus on innovation throughout the entire development process. Approximately one-third of the Company's employees work in research and development at the company's three centres of excellence in Vikmanshyttan, Norrköping and Shenzhen. Internal research and development and software development are conducted in Vikmanshyttan and Norrköping. Production and quality control take place in Shenzhen. The facilities are integrated and the staff at each facility collaborate continuously during the product development process, but also have specific focus areas.

Dedicated and highly skilled employees combined with continuous collaboration between the Company's three centres of excellence are the key to CTEK's technology leadership, and the integration between the three facilities enables an efficient development process. Some areas of expertise are also brought in on a consulting basis to strengthen the R&D team when needed. CTEK has full control throughout the development process by ensuring the quality of all products with respect to product, regulatory and safety requirements. Furthermore, quality testing is carried out after each stage of the development process.

To enable continued technology leadership and offer competitive products, CTEK emphasizes the protection of the Company's brands, designs and products.



MARKET OVERVIEW

CTEK is one of the largest global suppliers of low-voltage battery chargers for various premium segment vehicles ("premium battery chargers") and a leading supplier of chargers, load balancing systems, back-end solutions and accessories for electric vehicle charging.

The European market for electric vehicle chargers and accessories is expected to see strong growth in the coming years, mainly driven by tightening regulations, new technology and charging infrastructure, and changing consumer behaviour.

The global market for premium battery chargers is expected to see continued good growth in the coming years, mainly driven by more advanced technology in car batteries and the vehicle fleet as a whole, as well as a changing product mix. By its own estimates, CTEK is a global market leader in premium battery chargers with a market share of approximately 10 percent.

CTEK's SUSTAINABILITY WORK

Sustainability is a top priority for CTEK and permeates the whole business. The Company has a clearly defined sustainability strategy with several concrete initiatives and targets monitored on a continuous basis. The sustainability strategy is designed according to environmental factors, social factors and corporate governance. The Company also requires its suppliers to meet sustainability standards, such as compliance with the Company's Code of Conduct by key suppliers. Through solid sustainability work, we meet our customers' increasingly stringent sustainability requirements. For more information about our sustainability work, please see our Sustainability Report on pages 29-37.

DIVISIONS

CTEK's operations are conducted in three divisions (Aftermarket, Original Equipment and Energy & Facilities), which also represent accounting segments, which are based on the company's defined consumer groups and enable efficient management of the business. The divisions share Group-wide functions, such as IT, HR, product realisation, marketing and finance.

AFTERMARKET

Through the Aftermarket division, CTEK offers electric vehicle chargers and accessories as well as premium battery chargers. CTEK is an Aftermarket pioneer with high-tech solutions. Within Aftermarket, there is a wide range of more than 200 different products applicable in many vehicle types and applications. The range includes flexible, simple and safe solutions with features that work to maximise battery performance and extend battery life, while ensuring safe and easy charging of electric vehicles. The products are sold through retailers, distributors, e-commerce and repair shops.

Aftermarket net sales decreased by 12 percent to SEK 566 million (644 million). In organic terms, net sales decreased by 18 percent.

Segment profit decreased by 21 percent to SEK 196 million (247), a margin of 34.6 percent (38.4). The segment margin was negatively impacted by higher logistics costs and a higher share of purchases outside framework agreements.

ORIGINAL EQUIPMENT

CTEK is a well-known brand with over 50 of the largest and most prestigious vehicle manufacturers as customers worldwide. CTEK offers localised solutions for its global customer base of vehicle manufacturers. CTEK's high-quality products are tailored to customer needs, such as design and custom software to offer tailor-made charging programs for specific batteries, among other things.

The Original Equipment Division offers more than 200 different products: electric vehicle chargers and accessories, as well as premium battery chargers. The products are sold to CTEK's approximately 50 customers within the division, which are mainly vehicle manufacturers, but also include powersports, integrated solutions and other battery-powered applications.

Net sales year increased by 73 percent to SEK 179 million (103 million). Organic growth was 57 percent. This development is due to a ramp-up in the delivery of EV chargers to General Motors, but also the overall higher demand from a number of leading car manufacturers in different geographies.

Segment profit increased by 55 percent to SEK 31 million (20 million), a margin of 17.3 percent (19.2).

ENERGY & FACILITIES

In Energy & Facilities, CTEK is leveraging its extensive experience and expertise in technological innovation, and has developed a strong product portfolio with market-leading capabilities in electric vehicle charging and accessories with over 100 different products. By offering safe, user-friendly solutions, CTEK is today a well-known brand with over 500 customers in the Energy & Facilities division.

CTEK offers exclusively electric vehicle chargers and accessories within the Energy & Facilities division. The products are mainly sold to charging point operators, but also to electrical wholesalers, installers/electricians and property and car-park owners, among others.

Net sales year increased by 22 percent to SEK 180 million (148 million). Organic growth was 19 percent. The growth is mainly attributable to increased domestic sales, including sales to charging point operators, combined with increased demand for electric car charging systems.

Segment profit decreased to SEK -32 million (24 million), a margin of -18 percent (-16.1). Higher volumes have had a positive impact on earnings, but are offset by increased costs for new market development and product launches. Also, the business still has a relatively high share of fixed costs compared to current volumes.

CENTRAL

Central includes Group-wide income and expenses not allocated to the segments.

Adjusted for items affecting comparability, an EBITDA result of SEK -71 million (-53 million) was reported in 2022.

SALES AND MARGIN PER SEGMENT

Amounts in SEK million	2022	2021
Aftermarket	566.4	643.9
Original Equipment	178.7	103.2
Energy & Facilities	180.2	148.3
Central	24.8	26.5
Net sales, Group	**950.1**	**921.8**
Segment margin (adjusted EBITDA margin)		
Aftermarket %	34.6	38.4
Original Equipment %	17.3	19.2
Energy & Facilities %	-18.0	-16.1

SEGMENT PROFIT (ADJUSTED EBITDA)

Amounts in SEK million	2022	2021
Aftermarket	195.9	247.4
Original Equipment	30.9	19.9
Energy & Facilities	-32.5	-23.9
Total segment profit	**194.3**	**243.4**
Central, excluding items affecting comparability	-71.2	-52.7
Adjusted EBITDA, Group	**123.1**	**190.7**
Depreciation/amortisation, non-M&A related fixed assets	*-43.9*	*-40.0*
Adjusted EBITA, Group	**79.2**	**150.7**
Items affecting comparability	*-14.9*	*-40.4*
EBITA, Group	**64.3**	**110.3**

GROWTH, AFTERMARKET

Amounts in SEK million	2022	2021
Organic growth (%)	-17.9	28.5
Currency effect (%)	5.9	-3.8
Sales growth (%)	**-12.0**	**24.7**

GROWTH, ORIGINAL EQUIPMENT

Amounts in SEK million	2022	2021
Organic growth (%)	57.0	25.1
Currency effect (%)	16.2	-5.0
Sales growth (%)	**73.2**	**20.1**

GROWTH, ENERGY & FACILITIES

Amounts in SEK million	2022	2021
Organic growth (%)	18.5	76.0
Currency effect (%)	3.1	-1.3
Sales growth (%)	**21.6**	**74.6**

STRATEGY

Strategic targets are divided into CTEK's three divisions, Aftermarket, Original Equipment and Energy & Facilities. Aftermarket and Original Equipment include initiatives for growth in both electric vehicle chargers and accessories and premium battery chargers. Energy & Facilities' strategic initiative only includes a growth plan in electric vehicle chargers and accessories.

Aftermarket

Leveraging established relationships and a strong brand to achieve growth in electric vehicle chargers and accessories

For more than 20 years, CTEK has been developing and designing some of the most advanced premium battery chargers on the market at the Company's R&D facility in Vikmanshyttan. As a result, CTEK has built a position as the global market leader in premium battery chargers with strong relationships with over 200 dealers, online retailers and Aftermarket distributors. CTEK intends to leverage its market position and customer relationships in premium battery chargers for growth in electric vehicle chargers and accessories. With its market position and established customer relationships, combined with an online strategy where a greater focus will be placed on the Company's own online sales and the launch and acceleration of the sale of EV chargers and accessories at online retailers, CTEK sees favourable prospects for growing its electric vehicle charger and accessories product range and its net sales both in Sweden and through geographic expansion.

Expanding the next-generation consumer offering in premium battery chargers

CTEK aims to expand the next-generation consumer offering with the innovative CS Free series. CS Free is the first premium portable battery charger that can charge without a power supply. The product is designed for maintenance charging and is equipped with adaptive bulk charging technology. With the CS Free series, CTEK can reach new applications and end customers, which is expected to drive strong growth.

CTEK is also meeting new customer needs with the launch of its CS ONE series. The CS ONE series consists of products that are useful for both maintenance charging and normal charging.

Strengthening the Company's position with professional users of premium battery chargers by expanding the product range

The product range for professional users includes some of CTEK's most powerful and high-tech chargers, and CTEK estimates its current penetration rate to be relatively low. As a result, CTEK plans to expand the sale of products within the PRO segment.

We also expect to achieve higher growth by driving additional volume from upgrades of existing products combined with new product launches.

Growth in existing markets and new geographic areas in premium battery chargers

CTEK operates in over 70 countries, and enjoys a global market share of approximately 10 percent in premium battery chargers. CTEK sees continued opportunities to increase penetration in existing markets and also through expansion into new geographic markets through established local business operations.

Original Equipment

Maintaining a strong position in premium battery chargers within the Client Brand product range

Ever since CTEK was founded, R&D has been one of its top priorities. As a technology pioneer, CTEK has created high-quality products and built strong relationships with over 50 of the world's largest vehicle manufacturers. CTEK places great emphasis on maintaining established relationships with vehicle manufacturers, while also evaluating new potential customer relationships. A key element of CTEK's strategy for maintaining existing relationships and creating new ones is the transition to electric vehicles, whereby CTEK intends to support vehicle manufacturers with its electric vehicle chargers and accessories. CTEK also intends to expand our main focus to more vehicle categories through an extended product range and the launch of new products.

Developing existing contracts and winning new contracts in electric vehicle chargers and accessories and premium battery chargers

To achieve growth levels in line with CTEK's strategy and financial targets, CTEK intends to develop existing contracts, while also securing new contracts. Through existing relationships and our strong brand, we believe there are good opportunities to deliver on this strategy.

Energy & Facilities

Geographic expansion

CTEK is active in Energy & Facilities in Norway, Sweden, the UK, France and the Netherlands. The European market for electric vehicle chargers and accessories is expected to see strong growth in the coming years, mainly driven by tightening regulations, new technology and charging infrastructure, and changing consumer behaviour. CTEK sees great potential for growth as the market expands, both in countries with existing operations and in countries where CTEK has no EVSE operations. CTEK's product leadership combined with its geographic presence in other divisions are key factors for succeeding with the expansion strategy in Energy & Facilities. By executing its defined strategy, CTEK intends to both capitalise on the underlying growth of the EV charger and accessories market and to gain market share and thus grow faster than the market.

Continuing to develop backend platform, service and maintenance offering

A key factor for CTEK's success is to continue to offer a broad, sustainable and relevant product range. The company thereby intends to continuously improve customer satisfaction by optimising its product offering and adapting it to its customers' needs. CTEK's Chargestorm Connected and NJORD GO electric vehicle chargers have replaced previous products and will be developed further with new technologies and features to meet changing customer needs and reach new application areas.

The Company also intends to expand its existing EVSE product range by launching a number of new products. These products till strengthen CTEK's offering to charging point operators and property and car park owners through a more complete product portfolio.

In addition to expanding its hardware range, the Company also intends to develop the software platform. By continuing to optimise its product offering, the Company expects to provide a better complete solution for customers and thereby enhance the customer experience. At present, the software platform consists of the Charge Portal and CTEK's user app, and the Company is endeavouring to extend this offering to include integrated features such as payment solutions, a CRM platform, a consumer platform and roaming protocols. With this strategy, CTEK's ambition is to achieve its desired position as a service and backend platform solutions provider.

Increasing profitability by achieving operational economies of scale

CTEK aims to increase profitability by achieving operational economies of scale, both through a focus on cost optimisation in product development, such as the cost optimisation of components, and also through the launch of new AC chargers that are expected to reduce the cost of goods for resale. Furthermore, CTEK expects that through economies of scale, it will be able to reduce the cost of components and other costly materials. CTEK expects to achieve economies of scale and efficiency optimisation in its service operations as net sales increase. The implementation of sales and service tools, improved structures and processes, a higher level of employee experience and more efficient case management are also expected to improve efficiency.

AM STRATEGY

EVSE
- Grow through established relationships

Low voltage
- Develop the next-generation consumer offering
- Grow the professional range
- Grow in priority geographies

OE STRATEGY

- Maintaining a strong position in the client brand segment
- Developing existing contracts and winning new contracts

E&F STRATEGY

- Expanding the geographic footprint
- Expanding the hardware range
- Developing the backend platform and services range
- Achieving profitability from operational economies of scale

M&A STRATEGY

M&A opportunities
- Fragmented EVSE market
- Expanding the value chain
- Geographic expansion
- Product expansion

CTEK is an attractive buyer
- Well-known brand
- Global distribution force

VISION

CTEK's vision is to be the leading player in vehicle charging solutions.

MISSION

To realise its vision, CTEK will continue to develop, market and sell innovative, safe, easy-to-install and easy-to-use battery charging products for all types of vehicles, as well as complete charging solutions for electric vehicles.

FINANCIAL TARGETS

The Board has adopted the following financial targets and dividend policy:

Sales growth

CTEK's target is to achieve net sales of SEK 2 billion on an annual basis in the medium term, with the majority of sales expected to be electric vehicle chargers and accessories.

Profitability

CTEK's target is to achieve an adjusted EBITA margin of 20 percent in the medium term.

Capital structure

Net debt must be less than 3.0x adjusted EBITDA on a rolling twelve-month basis. Strategic decisions such as acquisitions can have a temporary impact on the Company's indebtedness.

DIVIDEND POLICY

CTEK invests its resources in growth and business development. In addition, CTEK's objective is to distribute 30% of the year's profit to shareholders.

CTEK shares

Shares

At the beginning of 2022, the Company had 49,292,936 shares. During the year, the number of shares and votes in CTEK AB (publ) changed as a result of new shares being issued in the equity issue decided by the Annual General Meeting on 12 May 2022. Through the equity issue, the number of outstanding shares and votes increased by 690,118 from 49,292,936 to 49,983,054. The share capital increased by SEK 690,118 from SEK 49,292,936 to SEK 49,983,054.

The total number of shares issued at the end of the year was 49,983,054 shares.

Market capitalisation and share price

CTEK's share price on 31 December 2022 was SEK 41, a market capitalisation of SEK 2,049 million.

Dividend

According to the dividend policy adopted by the Board of Directors, CTEK aims to distribute 30% of the year's profit.

For the 2022 financial year, it is proposed that no dividend be paid.

Ownership structure

At the end of the period, the company had a total of 24,498 shareholders. The table below shows the ten largest shareholders and their holdings as of 31 December 2022.

Preferential rights issue

CTEK's Board of Directors has decided on a guaranteed preferential rights issue of SEK 350 million. The preferential rights issue was approved at an Extraordinary General Meeting on 3 March 2023. The rights issue has been subscribed and paid in full which means that the total number of shares has increased by 19, 993,221 new shares.

Owner	Shares	Capital & votes
INVESTMENTAKTIEBOLAGET LATOUR	15,280,810	30.6
FJARDE AP-FONDEN	4,899,533	9.8
SKIRNER AB	3,000,000	6.0
AMF TJÄNSTEPENSION AB	2,225,000	4.5
AMF AKTIEFOND SMÅBOLAG	2,017,000	4.0
AVANZA PENSION	1,893,442	3.8
SEB MICRO CAP FUND SICAV-SIF	1,385,651	2.8
SWEDBANK ROBUR FOLKSAMS LO SVERIGE	1,261,985	2.5
TREDJE AP-FONDEN	873,757	1.8
SPILTAN SMÅBOLAGSFOND	725,000	1.5
Total, 10 largest shareholders	**33,562,178**	**67.1**
Other	16,420,876	32.9
Total	**49,983,054**	**100.0**

Corporate Governance Report

Introduction

CTEK is a Swedish public limited company. The Company is listed on Nasdaq Stockholm and complies with Nasdaq Stockholm's rules for issuers and the application of the Swedish Corporate Governance Code (the "Code"). The Code applies to all Swedish companies whose shares are listed on a regulated market in Sweden and is in full force from the date of listing. The Company does not need to comply with all the rules in the Code, since the Code itself allows for deviations from the rules, provided that any such deviations and the alternative solution selected are described and their reasons are explained in the Corporate Governance Report (according to the so-called "comply or explain principle").

CTEK applies the Code from the date of listing of its shares on Nasdaq Stockholm on 24 September 2021.

The Company does not report any deviation from the Code in the Corporate Governance Report for the financial year 2022.

Shareholders

At year-end 2022, CTEK had 24,498 shareholders with a share capital of 49,983,054 ordinary shares. The quota value per share is SEK 1.0. The largest owners as of 30 December 2022 were Investmentaktiebolaget Latour with 31 percent of the capital and votes, Fjärde AP-fonden with 10 percent of the capital and votes and AMF Fonder with 8.5 percent of the capital and funds.

General Meeting

Under the Swedish Companies Act (2005:551), the general meeting is the company's highest decision-making body. At the general meeting, shareholders exercise their voting rights on key issues, such as the adoption of profit and loss statements and balance sheets, the appropriation of the company's profits, the discharge of the members of the Board of Directors and the Chief Executive Officer, the election of directors and auditors and the remuneration of the Board of Directors and the auditors.

The 2022 Annual General Meeting was held on 12 May 2022 at CTEK's premises in Vikmanshyttan.

Resolutions approved at the 2022 Annual General Meeting included:

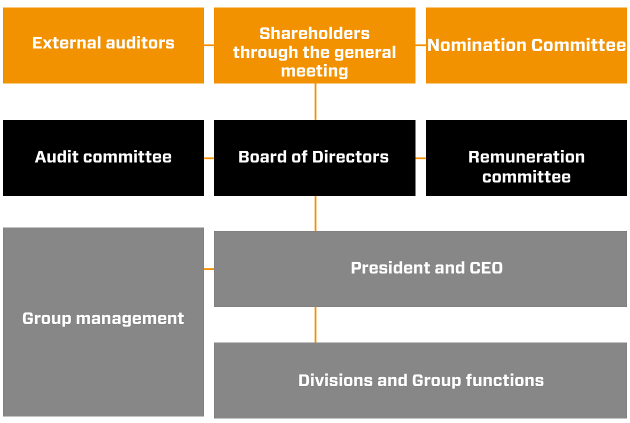
- Adoption of profit and loss statements for the Parent Company and the Group 2021.
- Resolved, in accordance with the Board of Directors' proposal, to carry forward the Company's accumulated results and that no dividend shall be paid to the shareholders.
- Discharge the members of the Board of Directors and the Chief Executive Officer in accordance with the auditor's recommendations.
- In accordance with the Nomination Committee's proposal, that the number of board members elected by the meeting shall be seven with no alternates and the auditor shall be one without alternates.
- Remuneration of board members.
- Remuneration of auditors.
- Election of the Board.
- Election of the auditors.
- Approval of the 2021 remuneration report.
- Resolution on nomination committee instructions.
- Resolution on implementation of a long-term incentive programme for employees within the Company, including resolution on a long-term incentive programme and resolution on issue of a maximum of 100,000 Series 2022/2025 warrants.
- Resolution on the issue of new shares through the transfer of non-cash assets.

Extraordinary General Meeting

No extraordinary general meeting was held in 2022.

An extraordinary general meeting was held on 3 March 2023, where the Board's proposed SEK 350 million guaranteed preferential rights issue was approved. At the Extraordinary General Meeting, Stefan Linder resigned as a board member and was replaced by Johan Menckel.

GOVERNANCE STRUCTURE



Significant external regulations

- Swedish legislation, such as the Companies Act and the Annual Accounts Act
- Nasdaq Stockholm's Rule Book for Issuers
- International Financial Reporting Standards (IFRS)
- Swedish Corporate Governance Code
- EU regulations

Significant internal rules

- Articles of Association
- Rules of Procedures of the Board of Directors and CEO Instructions with Financial Reporting Instructions
- Financial policy, attestation instructions and Group financial reporting guidelines
- Code of Conduct, Quality Policy, Environmental Policy, Risk Management Policy, Insider Policy, Communication Policy, Information Security Policy, etc.
- Governance, internal control and risk management processes and frameworks

2023 Annual General Meeting

The annual general meeting must be held no later than six months after the close of the financial year. The General Meeting will be held at the Company's premises at Industrivägen 24 in Vikmanshyttan at 3:00 PM on 11 May. In addition to the Annual General Meeting, an Extraordinary General Meeting may be convened. According to the articles of association, general meetings are convened by publication of the convening notice in the official Swedish gazette (Sw. Post- och Inrikes Tidningar) and on the Company's website. At the time of the notice convening the meeting, information regarding the notice shall be published in Svenska Dagbladet.

Right to participate in general meetings

Shareholders who wish to participate in the general meeting must be registered in the shareholders' register maintained by Euroclear Sweden six banking days prior to the meeting, and notify the Company of their participation in the general meeting no later than the date stipulated in the notice convening the meeting. Shareholders may attend the general meeting in person or by proxy and may be accompanied by up to two persons. Usually, it is possible for a shareholder to register for the general meeting in several ways as indicated in the notice convening the meeting. A shareholder is entitled to vote for all shares held by the shareholder.

Shareholder initiatives

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the board of directors. Such a request should normally be received by the board of directors no later than seven weeks prior to the general meeting.

Nomination Committee

Companies that apply the Code shall have a nomination committee. Under the Code, the general meeting shall appoint the members of the nomination committee or specify how the members are to be appointed.

The Nomination Committee must consist of at least three members, of which a majority shall be independent of the company and of the Group management. In addition, at least one member of the nomination committee must be independent of the largest shareholder in terms of voting rights or the group of shareholders who cooperate in the management of the Company.

In accordance with the Swedish Corporate Governance Code and the criteria adopted by the Extraordinary General Meeting 2021, the Nomination Committee shall consist of representatives of the three largest shareholders in terms of votes listed in the share register maintained by Euroclear Sweden as of the last banking day in August 2022 and the Chairman of the Board of Directors. The member representing the largest shareholder shall be appointed chairman of the nomination committee unless the committee unanimously appoints someone else. If one or more of the shareholders having appointed representatives to the nomination committee more than three months prior to the annual general meeting no longer are among the three largest shareholders, representatives appointed by these shareholders shall resign and the shareholders who are then among the three largest shareholders may appoint their representatives. The composition of the nomination committee for the annual general meeting shall normally be announced no later than six months before the meeting.

The following persons have been appointed to CTEK's Nomination Committee for the 2023 Annual General Meeting: Anders Mörck, Chairman (Latour), Patricia Hedelius (AMF Fonder), Thomas Wuolikainen (Fjärde AP-fonden) and the Company's Chairman, Hans Stråberg, as adjunct. Shareholders wishing to submit proposals to the Nomination Committee may contact the Chairman of the Nomination Committee, Anders Mörck, via email: anders. morck@latour.se or by regular post: CTEK AB, Att: Valberedningen, Rostugnsvägen 3, 776 70 Vikmanshyttan.

Remuneration shall not be paid to the members of the nomination committee. The Company shall reimburse any expenses incurred by the nomination committee in its work. The term of office for the nomination committee ends when the composition of the next nomination committee has been announced.

Board of Directors

The board of directors is the Company's highest decision-making body after the general meeting. Under the Swedish Companies Act, the board of directors is responsible for the Company's management and organisation, which means that the board of directors is responsible for, among other things, setting targets and strategies, establishing procedures and systems for evaluating set targets, continuously assessing the Company's earnings and its financial position, and evaluating the operational management. The board of directors is also responsible for ensuring that the annual report and interim reports are prepared in a timely manner. The board of directors also appoints the Company's CEO.

Members of the board of directors are normally elected by the annual general meeting for the period until the end of the next annual general meeting. According to the Company's articles of association, the board of directors as elected by the general meeting shall consist of not less than one (1) member and not more than ten (10) members with not more than three (3) alternate board members.

Under the Code, the chairman of the board of directors is elected by the annual general meeting and has a special responsibility for managing the work of the board of directors and for ensuring that the work of the board of directors is well-organised and conducted in an efficient manner.

The board of directors applies the written Rules of Procedures of the Board of Directors, which are revised annually and adopted by the inaugural meeting of the board each year. Among other things, the Rules of Procedures govern board practices, functions and the distribution of work between the board members and the CEO. In conjunction with the inaugural board meeting, the board of directors also adopts the CEO instruction, including instructions for financial reporting.

Every year, the board of directors conducts a review of the board's work, where members have the opportunity to provide their views on work arrangements and efficiency, board materials, board members' contributions and the scope of the mandate to develop the board's work arrangements.

The board of directors meets according to an annual predetermined schedule. In addition to these meetings, additional board meetings may be convened to handle matters that cannot be deferred to the next ordinary board meeting. In addition to the board meetings, the chairman of the board and the CEO have an ongoing dialogue regarding the management of the Company.

In 2022, 16 Board meetings were held, attended as specified in the table below.

Currently, the Company's board of directors consists of nine ordinary members elected by the general meeting, who are presented in the section "Members of the Board of Directors."

Audit committee

The Company has an audit committee consisting of four members: Pernilla Valfridsson (committee chair), Hans Stråberg, Björn Lenander and Ola Carlsson. The audit committee shall, without it affecting the board's other responsibilities and tasks, monitor the Company's financial reporting and the effectiveness of the Company's internal controls, internal auditing and risk management. The audit committee shall also stay informed of the auditing of the annual reports and sustainability reports, review and monitor the impartiality and independence of the auditor, paying close attention to whether the auditor provide the Company with services other than audit services, and assist in the preparation of proposals for the general meeting's resolution on the election of auditors. In 2022, the audit committee held 14 meetings, attended as specified in the table below.

The internal controls system is also designed to monitor compliance with Company and Group policies, principles and instructions. Internal control also includes risk analysis and monitoring of the implementation of information and business systems.

The Group identifies, assesses and manages risks based on the Group's vision and objectives. Risk assessments of strategic, compliance, operational and financial risks are performed annually and presented to the audit committee and the board of directors.

Through the audit committee, the board of directors monitors internal controls and the reliability of financial reporting and reviews recommendations for improvement. The audit committee regularly reports on its work to the board of directors. In 2022, the audit committee evaluated the need for an internal audit function and determined that there is currently no such need due to the size and structure of the Company and the Group, and because of other factors. The audit committee makes proposals on matters requiring a decision by the board of directors.

Remuneration committee

The Company has a remuneration committee consisting of three members: Hans Stråberg (Chairman), Stefan Linder (resigned March 2023), Michael Forsmark and from March 2023 also Johan Menckel.

The remuneration committee shall prepare proposals regarding remuneration principles, remuneration and other terms of employment for the CEO and the executive management. In 2021, the committee held seven committee meetings, attended as specified in the table below. The remuneration committee also regularly reports on its work to the board of directors.

The remuneration committee shall prepare proposals regarding CEO and executive management remuneration for the board's review. Proposed new guidelines shall be submitted at least every four years for approval by the annual general meeting. The guidelines shall remain in force until new guidelines are adopted by the general meeting.

The remuneration committee shall also monitor and evaluate variable remuneration programmes for senior management, the application of the guidelines for remuneration of executive management and the current remuneration structures and levels in the Company.

The members of the remuneration committee are independent of the Company and its management. Insofar as the Chief Executive Officer or other members of senior management are impacted by a remuneration related matter, they will not be present when the board of directors discusses and decides on such a matter.

Guidelines for remuneration of directors, the chief executive officer and executive management

These guidelines cover the remuneration of the Chief Executive Officer ("CEO") and other members of CTEK's senior management ("executive management"). The guidelines apply to new contractual remuneration, and modifications of already contracted remuneration, after the guidelines were adopted by the extraordinary general meeting. The guidelines do not cover remuneration decided by the general meeting. For further information, please see the full description of the guidelines in the Management Report.

CEO and other executive management

The CEO reports to the board of directors and is responsible for the everyday management and operations of the Company. The division of work between the board of directors and the CEO is set out in the Rules of Procedures for the board of directors and the CEO's instructions. The CEO is also responsible for preparing reports and compiling information from the executive management for board meetings and for presenting such materials at the board meetings.

According to the instructions for the financial reporting, the CEO is responsible for the financial reporting in the Company and consequently must ensure that the board of directors receives adequate information to be able to continuously evaluate the Company's financial position.

The CEO must continuously keep the board of directors informed of development in the Company's operations, the development of sales, the Company's results and financial position, liquidity and credit status, important business events and all other events, and circumstances or conditions which can be assumed to be of significance to the Company's shareholders.

The CEO and executive management are presented in the section "Group Management". The CEO and executive management are responsible for developing and deciding on the Company's operational activities and objectives. Management meets at least every month in documented management meetings where each member represents their business area and responsibility. Management responsibilities are set out in the organisational chart appearing later in this report. A detailed description of each area of responsibility can be obtained by contacting the Company's CEO.

Auditing

The auditor shall review the Company's annual reports and accounting, as well as the management of the board of directors and the CEO. Following each financial year, the auditor shall submit an audit report and a consolidated audit report to the annual general meeting.

Under the Company's articles of association, the Company shall have one (1) or two (2) auditors and not more than two (2) deputy auditors or one registered public accounting firm. The Company's current auditor is Ernst & Young, with Erik Sandström as auditor in charge. The Company's auditor is presented in more detail at the end of this report.

Members of the Board

CTEK's Board of Directors consists of 9 ordinary members, including the Chairman, with no alternates, elected until the end of the 2023 Annual General Meeting. The table below shows the members of the Board of Directors, when they were first elected to the Board and whether they are independent of the Company and/or the principal shareholder.

			Independent in relation to	
Name	Position	Member since[1]	The Company and corporate management	Major shareholders
Hans Stråberg	Chairman of the Board	2011	Yes	Yes
Ola Carlsson	Member of the Board	2011	Yes	Yes
Daniel Forsberg	Member of the Board (Employee Representative)	2019	No	Yes
Michael Forsmark	Member of the Board	2013	Yes	Yes
Björn Lenander	Member of the Board	2021	Yes	No
Mats Lind	Member of the Board (Employee Representative)	2011	No	Yes
Johan Menckel	Member of the Board	2023	Yes	No
Jessica Sandström	Member of the Board	2021	Yes	Yes
Pernilla Valfridsson	Member of the Board	2021	Yes	Yes

1) Refers to the starting date of the CTEK Group board membership.

ATTENDANCE AT MEETINGS IN 2022

Name	Remuneration committee meetings	Audit committee meetings	Board meetings
Hans Stråberg	7/7	14/14	16/16
Ola Carlsson	-	14/14	16/16
Daniel Forsberg**	-	-	16/16
Michael Forsmark	7/7	-	16/16
Björn Lenander*	-	11/14	16/16
Mats Lind**	-	-	16/16
Johan Menckel***	-	-	0/16
Stefan Linder****	6/7	-	13/16
Jessica Sandström	-	-	14/16
Pernilla Valfridsson	-	14/14	16/16

*) Björn Lenander was elected to the audit committee on 5 December, 2022.
**) The Company does not require employee representatives to attend board meetings.
***) Johan Menckel was elected to the Board on 3 March, 2023.
****) Stefan Linder was a member of the board through 3 March, 2023.

HANS STRÅBERG

Born 1957. Chairman of the Board since 2011.

Education: M. Sc. from Chalmers University of Technology.

Other current positions: Chairman of the Board, AB SKF, Atlas Copco AB, Roxtec AB and Anocca AB. Member of the Board, Investor AB, Mellby Gård AB.

Prior positions (last five years): Chairman of the Board, Orchid Orthopedics Inc., Orchid First Holding AB, Nikkarit Holding AB and Business Challenge AB. Chairman of the Board and Vice-Chair, Tulip US Holdings Inc. Chairman of the Board of CTEK Holding AB and several of its subsidiaries. Vice-Chair of Stora Enso Oy. Board member of Consilio International AB, N Holding AB and Hedson Technologies International AB.

Shareholding in the Company: Hans Stråberg holds, indirectly through companies, 986,276 shares and 99,129 warrants in the Company.

OLA CARLSSON

Born 1965. Board member since 2011.

Education: M.Sc. in Mechanical Engineering from Institute of Technology at Linköping University.

Other current positions: Chairman and CEO of CTEK Sweden AB. Board member of Nordic Flanges Group AB (publ). Adviser to Airwatergreen AB and Nobia AB.

Prior positions (last five years): Board member of several of Nobia AB's group companies in Sweden and abroad. Member of the board and CEO, Tidaholm Träcenter AB. CEO of Nobia Production Sweden AB. Deputy CEO of CTEK Sweden AB. Executive Vice President Product Supply at Nobia AB.

Shareholding in the Company: Ola Carlsson holds 160,317 shares and 24,782 warrants in the Company.

DANIEL FORSBERG

Born 1983. Board member since 2021. Employee representative for Unionen.

Education: B.A. in Marketing and Project Management from University of Kalmar.

Other current positions: Alternate board member of CTEK Holding AB and CTEK Sweden AB. Shareholder of River Mountain Consult & Trading.

Prior positions (last five years): Board member of CTEK Holding AB and several of its subsidiaries.

Shareholding in the Company: Daniel Forsberg holds 500 shares in the Company.

MICHAEL FORSMARK

Born 1965. Board member since 2013.

Education: B.A. from Uppsala University.

Other current positions: Chairman of the board, Saturnus AB, Räckesbutiken Sweden AB, Zoo Distribution Sweden AB and Zoo.se Trading i Norden AB. Board member of Tormek AB and M Action Consulting Group AB.

Prior positions (last five years): Chairman of the board of 500 2020 Holding AB, String Furniture AB, Kreatima AB, Kairos Future Partners AB, Da-Vida AB and Fotografiska Stockholm AB. Board member of Sportlib World AB, Odontia AS and CTEK Holding AB. External CEO of Panduro Förvaltning AB and several of its subsidiaries. External CEO of Fotografiska International AB.

Shareholding in the Company: Michael Forsmark holds 179,015 shares and 24,782 warrants in the Company.

BJÖRN LENANDER

Born 1961. Board member since 2021.

Education: M.Sc., Machine Technology from KTH Royal Institute of Technology in Stockholm.

Other current positions: Chairman, Aritco Group AB, DENSIQ AB, Latour Future Solutions AB, LSAB Group AB, Soft Design RTS Aktiebolag, MS Group AB, Atab automationsteknik AB and MAXAGV AB. Board member of Latour Industries AB, CTT Systems AB, Caljan A/S, Vimec SrL and VEGA SrL.

CEO of Latour Industries AB and MAXAGV AB.

Prior positions (last five years): Chairman of the board of Bemsiq AB, REAC AB and Vimec SrL. Board member of Gaia Holding AB, NODA Intelligent Systems AB, Routal Eco AB, Bastec AB, Viby Energivägen AB, Aritco Lift AB, Swegon Group AB, Terratech AB, ELVACO Aktiebolag, Vialan AB and Produal Oy.

Shareholding in the Company: Björn Lenander holds 1,000 shares in the Company.

MATS LIND

Born 1967. Board member since 2011. Employee representative for Unionen.

Education: –

Other current positions: Chairman of the Board of Örängarna Fiber Ekonomisk Förening. Board member of CTEK Holding AB and CTEK Sweden AB.

Prior positions (last five years): Board member of Rotearc Ksinket Gnillkcevtu AB and Charge Holding AB.

Shareholding in the Company: Mats Lind holds 11,363 shares in the Company.

JOHAN MENCKEL

Born 1971. Board member since 2023.

Education: M. Sc., Royal Institute of Technology (KTH).

Other current positions: Chairman of the board of Nederman Holding Aktiebolag, Nord-Lock International AB and Bemsiq AB. Board member of Securitas AB, SAAB Aktiebolag, Latour Industries AB and World Materials Forum. Alternate board member, The Menckels AB and Erik Menckel AB.

Prior positions (last five years): Chairman of the board of Gränges Finspång AB and Gränges Skultuna AB. Board member of YPO Service AB and Nederman Holding Aktiebolag. External CEO of Gränges AB and Sapa Heat Transfer.

Shareholding in the Company: Johan Menckel holds no shares and no warrants in the Company.

JESSICA SANDSTRÖM

Born 1977. Board member since 2021.

Education: M.Sc. in Technical Physics, Chalmers University of Technology.

Other current positions: Senior Vice President Product management & Sustainability, Volvo Lastvagnar AB. Board member, Designwerk Technologies AG.

Prior positions (last five years): Senior Vice President City Mobility and Senior Vice President Global Product & Marketing, Volvo Bussar AB.

Shareholding in the Company: Jessica Sandström holds 8,803 shares and 24,782 warrants in the Company.

PERNILLA VALFRIDSSON

Born 1973. Board member since 2021.

Education: M.A. in Business Administration, Växjö University.

Other current positions: CFO of Clas Ohlson Aktiebolag. Board member of several subsidiaries of Clas Ohlson Aktiebolag.

Prior positions (last five years): CFO of Nobina AB (publ) and Byggmax Group AB (publ). Chairman of the board of Nobina Fleet AB, Nobina Sverige 3 AB and Nobina Europé AB (publ) and board member of several of Nobina AB's subsidiaries. Board member of several subsidiaries of Byggmax Group AB as well as NetOnNet AB, Sortera AB, Sortera Holding AB, Sortera Group AB, BHG Group AB and Ahlström-Munksjö Oyj.

Shareholding in the Company: Pernilla Valfridsson holds 8,803 shares and 24,782 warrants in the Company.

Remuneration of the board and committees

Name	Base salary/ Board fee (SEK million)	Committee 1) (SEK million)	Other benefits (SEK million)	Pension costs (SEK million)	Total (SEK million)
Hans Stråberg, chairman of the board	0.8	0.1	-	-	0.9
Ola Carlsson, board member	0.3	0.1	-	-	0.3
Daniel Forsberg, board member*	-	-	-	-	-
Michael Forsmark, board member	0.3	0.0	-	-	0.3
Björn Lenander, board member	0.3	-	-	-	0.3
Mats Lind, board member*	-	-	-	-	-
Johan Menckel***	-	-	-	-	-
Stefan Linder, board member**	0.3	0.0	-	-	0.3
Jessica Sandström, board member	0.3	-	-	-	0.3
Pernilla Valfridsson, board member	0.3	0.1	-	-	0.4
Total	**2.6**	**0.2**	**-**	**-**	**2.8**

1) Audit committee and/or remuneration committee.
*) Employee representatives, no remuneration is paid.
**) Stefan Linder was a member of the board through 3 March, 2023.
***) Johan Menckel was elected to the board of directors on 3 March 2023 and thus has not received any remuneration in the 2022 financial year.

Group management

OLA CARLSSON

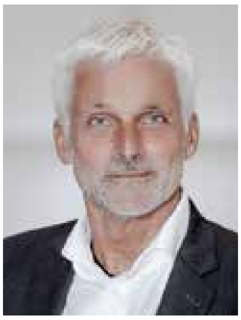
Born in 1965. Acting CEO since 2023.

Education: M.Sc. in Mechanical Engineering from Institute of Technology at Linköping University.

Other current positions: Chairman and CEO of CTEK Sweden AB. Board member of Nordic Flanges Group AB (publ). Adviser to Airwatergreen AB and Nobia AB.

Prior positions (last five years): Board member of several of Nobia AB's group companies in Sweden and abroad. Member of the board and CEO, Tidaholm Träcenter AB. CEO of Nobia Production Sweden AB. Deputy CEO of CTEK Sweden AB. Executive Vice President Product Supply at Nobia AB.

Shareholding in the Company: Ola Carlsson holds 160,317 shares and 24,782 warrants in the Company.



THOM MATHISEN

Born 1963. CFO since 2022.

Education: M.A. Economics, Växjö University

Other current positions: Chairman of the board and board member of CTEK Holding AB and several of its subsidiaries.

Prior positions (last five years): Board member of Dellner Couplers Aktiebolag and Couplers Poolco AB.

Shareholding in the Company: Thom Mathisen holds 10,857 warrants in the Company

HENK LUBBERTS

Born 1960. Global Director Original Equipment since 2017.

Education: M.Sc. in Automotive Engineering from University for Automotive Engineering, Apeldoorn.

Other current positions: –

Prior positions (last five years): -

Shareholding in the Company: Henk Lubberts holds 22,384 shares and 18,500 warrants in the Company.

EVA MARTINSSON

Born 1968. Global Director HR since 2016.

Education: B.Sc. Systems Science, Karlstad University.

Other current positions: Board member of Promål AB. Alternate board member of Miljönären Franschise AB and CTEK Holding AB and its subsidiaries.

Prior positions (last five years): Chairman of the board of Kraftplan AB. Board member and CEO of Termino C 9055 AB. Board member of Palfinger AB. Board member and alternate board member of several of CTEK AB (publ)'s subsidiaries.

Shareholding in the Company: Eva Martinsson holds 75,171 shares and 37,100 warrants in the Company.

STIG MATHISEN

Born 1977. COO since 2013.

Education: B.A. in Logistics Management from BI Norwegian Business School.

Other current positions: Chairman of the Board and owner of Scandinavian Global Ltd.

Prior positions (last five years): -

Shareholding in the Company: Stig Mathisen holds 56,349 shares and 37,498 warrants in the Company.

CECILIA ROUTLEDGE

Born 1970. Global Director Energy & Facilities since 2019.

Education: M.A. in International Management, Business from HEC Lausuanne, The Faculty of Business and Economics at University of Lausanne. International Economics, Uppsala University. Executive Program Corporate Finance at London Business School and Executive Program Artificial Intelligence and Implications for Business Strategy at Massachusetts Institute of Technology, Sloan School of Management.

Other current positions: Alternate board member of Broad Oak AB.

Prior positions (last five years): Board member of DIB Services AB. Senior Director Global Commercial & Revenue Optimisation i Egencia Inc. (Expedia Inc-corporation).

Shareholding in the Company: Cecilia Routledge holds 94,360 shares and 37,150 warrants in the company.

MARCUS KORSGREN

Born 1992. Global Director Strategy & Communication since 2021.

Education: B.A. in Business Administration and M.A. in Growth Management from Gothenburg School of Economics.

Other current positions: -

Prior positions (last five years): Business Consultant, TietoEvry.

Shareholding in the Company: Marcus Korsgren holds 434 shares and 10,857 warrants in the Company.

GARY BROWN

Born 1971. Global Director Aftermarket since 2022.

Education: MBA specialising in innovation, the University of Warwick, Warwick Business School - UK. MSc in Automotive Engineering, Design, Manufacture and Management at the University of Hertfordshire, UK. BEng in Mechanical Engineering at the University of Newcastle-upon-Tyne, UK. Certified non-executive director Member of the Board (Sweden).

Other current positions: Board member, Andersson Brown Management AB.

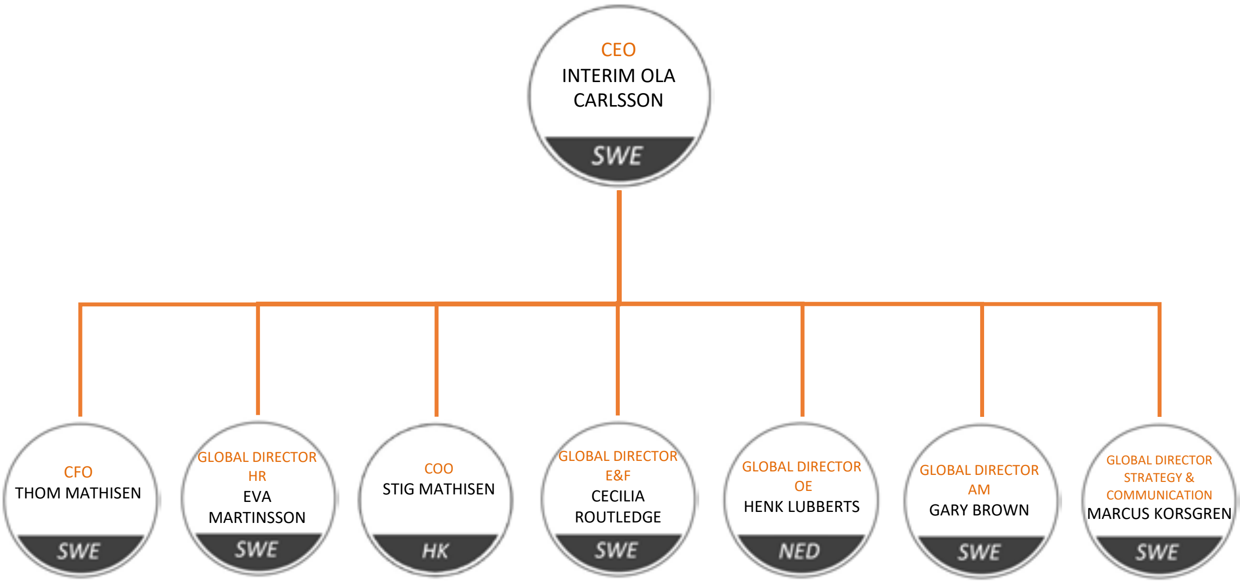
Prior positions (last five years): Board member, The English School Gothenburg. Alternate board member, Mont Blanc Industri Aktiebolag, Mont Blanc International AB and Toarps-Taryd 1:44 i Toarpsdal AB. CEO of Mont Blanc Industri Aktiebolag. CEO and officer, Mont Blanc Industri (Romania) and Andersson Brown Limited. External CEO of Mont Blanc Group AB.

Shareholding in the Company: Gary Brown holds no shares and no warrants in the Company.

Remuneration of CEO and other executive management

SEK million	Base salary	Variable remuneration	Other	Pension costs	Total
Jon Lind, CEO*	3.3	0.1	0.1	1.0	4.4
Other executive managers**	8.9	0.7	0.9	2.1	12.6
Total	**12.2**	**0.8**	**1.0**	**3.1**	**17.0**

*) Jon Lind is no longer employed by CTEK as of 10 January 2023 and is replaced by Board Member Ola Carlsson as acting CEO as of the same date.
**) Other executive management consists of the CEO and 7 other persons.



OTHER INFORMATION REGARDING THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

There are no family ties between any directors and/or executive management.

There are no conflicts of interest or potential conflicts of interest between the obligations of board members and executive management of the Company and their private interests and/or other commitments. However, as stated above, a number of directors and executive management have financial interests in the Company through shareholdings.

All board members and executive management can be reached at the Company's address, Rostugnsvägen 3, 776 70 Vikmanshyttan, Sweden.

AUDITOR

Ernst & Young AB has been the Group's auditor since 2012 and auditor for the Group's current parent company, CTEK AB, since its founding in 2019. Ernst & Young AB was re-elected at the 2021 annual general meeting for the period until the end of the 2022 annual general meeting. Erik Sandström (born 1975) is the auditor in charge. Erik Sandström is an authorised public accountant and a member of FAR (the Swedish professional association for authorised public accountants) and the lead auditor of Atlas Copco, Ratos, Autoliv and Epiroc, among others. Ernst & Young's office address is Hamngatan 26, 111 47 Stockholm, Sweden.

Sustainability Report

CTEK's sustainability work

The year in review

Since its founding in 1997, sustainability has played a major role in CTEK's identity. Primarily by doing what we do best, driving sustainability impact by providing innovative and sustainable vehicle charging solutions – which is as relevant today as it was more than 25 years ago.

Starting with the 2022 sustainability report, we will report our carbon emissions in accordance with the Green House Gas Protocol Reporting Standard. This will increase transparency and facilitate comparability. On this occasion, we are also presenting new ambitious emission targets that we seek to meet already by 2027 (see page 33 for more details).

In 2022, CTEK also committed to follow and work towards the ten principles established by the United Nations (UN Global Compact) with respect to:

- Human rights
- Labour
- Environment
- Anti-corruption

CTEK's sustainability strategy

To emphasise our ambition to work towards the UN's 1.5 degree target (the Paris Agreement), CTEK joined the Science Based Targets initiative in 2022, committing to reducing its Scope 1 and 2 emissions by 42% by 2030 (based on 2021 emissions).

As a brand, historically CTEK has been strongly associated with motor sports, and over the years we have collaborated with high-profile drivers such as Mattias Ekström and Fredrik Aasbø. Much to my delight, both from a brand and sustainability perspective, CTEK was announced as a CE Dealer Team partner for the FIA World Rallycross Championship in 2022. As of 2022, the FIA World Rallycross Championship will be run with all-electric cars and CE Dealer Team is the first team to field a gender equal driver line-up. Collaborations like this are very much in keeping with what CTEK has historically represented and what we aspire to represent moving forward. Hopefully this will be the start of a long and successful partnership between CTEK and the CE Dealer Team.

Work streams	Overview of initiative	
Footprint	**E1**	Expand the scope of the CO_2 baseline
	E2	Identify initiatives for reducing CO_2 emissions
	S1	Ensure equitable conditions throughout the entire supply chain
Sustainable products	**E3**	Continuously update and actively communicate the lifetime benefits of our products
	E4	Perform life cycle assessments on selected products
	E5	Integrate circularity and repairability into the product flow
	E6	Strengthen the focus on innovative products that support the green transition
HR	**S2**	Work actively to ensure diversity at all levels
	S3	Boost employee well-being and engagement
Supply chain	**G1**	Increase the focus on responsible supply chains
Governance, risk & reporting	**G2**	Establish ambitious but realistic targets and performance measures
	G3	Expand the scope of sustainability reporting to meet stakeholder requirements
	E7	Identify and manage climate risks and opportunities
Communication	**G4**	Assume a clearer role and educate consumers on responsible battery management

2023 and beyond

Our focus in 2023 will be to continue reducing our climate footprint, increasing employee equality and well-being and taking preventive measures to ensure that there will be no governance-related deviations in our 2023 sustainability report.

Marcus Korsgren
Global Director Strategy & Communication

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE GLOBAL COMPACT
WE SUPPORT

The United Nations' Sustainable Development Goals

On 25 September 2015, UN's member states adopted Agenda 2030, a universal agenda for sustainable development that includes 17 global goals to be achieved by 2030. The global goals, in turn, have 169 targets and more than 230 global indicators for implementation and monitoring. The Global Goals and Agenda 2030 are the most ambitious agreement on sustainable development ever adopted by world leaders. The concept of sustainable development integrates the three dimensions of sustainability: social, economic and environmental.

CTEK supports the UN Sustainable Development Goals and our ESG strategy is designed with a specific focus on eight of these seventeen global goals.

- **Gender equality**
  We are committed to achieving equality and diversity in all parts of CTEK. This area was specifically highlighted in our ESG strategy under item S1 (Work actively to ensure diversity at all levels)

- **Affordable and clean energy**
  CTEK constantly strives to make our chargers more energy efficient and thus minimise energy losses.

- **Decent work and economic growth**
  Equitable working conditions and compliance in our supply chain have been a focus for CTEK for more than 20 years. We perform audits of all our tier-1 suppliers with our own staff.

- **Industry, innovation and infrastructure**
  One of CTEK's main strengths is constructing major electric vehicle charging infrastructures where our Nanogrid load balancing system plays a crucial role. Going forward, we have an increased focus on enhancing our home charging product range.

- **Sustainable cities and communities**
  CTEK's electric vehicle chargers enable green transport in cities while we constantly strive, in collaboration with our partners, to increase the number of chargers on the streets and in parking garages.

- **Responsible consumption and production**
  CTEK's low voltage chargers are proven to be very durable with very low levels of complaints. This contributes to reducing over-consumption and thus reducing the environmental impact. Going forward, we are further strengthening our focus on repairable products and increasing their recyclability.

- **Climate action**
  Reducing our transport carbon footprint is high on our list of priorities. We are actively working on the transport mix and increasing the fill rate of our transports.

- **Partnerships for the goals**
  CTEK works with a range of stakeholders to share knowledge and experience on sustainability issues in order to contribute collectively to meeting the goals of the 2030 Agenda.

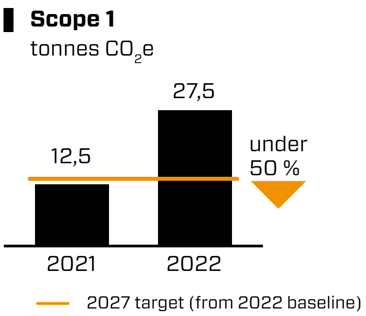
E(nviromental)SG

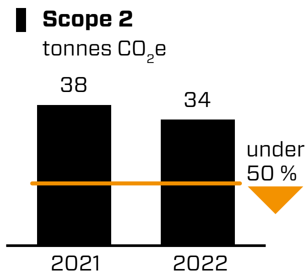
To highlight our climate footprint, starting with this sustainability report, CTEK has chosen to report its climate footprint according to the internationally recognised Green House Gas Protocol Reporting Standard for greenhouse gas emissions.

The reporting is divided into three different parts:
- Scope 1 of the Green House Gas Protocol includes emissions that occur in our internal operations (direct emissions) such as fuel combustion and emissions from vehicles owned or controlled by the organisation.
- Scope 2 includes indirect emissions from purchased electricity, steam, heating and cooling.
- Scope 3 relates to other indirect emissions, from purchased materials, product use, waste management, transport, etc. that the organisation does not own or control.

As CTEK does not own or control any production, Scope 1 and Scope 2 emissions are limited. The Scope 1 emissions come from CTEK's company cars and the Scope 2 emissions relate to purchased heat and electricity for our own offices.

For Scope 3, CTEK's initial focus is on evaluating and analysing where the company's largest emissions occur and then formalising a plan to reduce them. The ambition is also to evaluate the carbon footprint of a number of key products using life cycle analysis.





Risk	Comment	Action
Risk of increased carbon footprint of the company.	Risk that the company's carbon footprint cannot be adequately reduced due to external, unavoidable factors in the supply and logistics chain.	Environmental risks are included in the company's overall annual risk assessment.

ES(ocial)G

In developing the social factor measures, CTEK's employees were the focus. We choose to highlight our work on gender equality and diversity, but also our efforts to ensure the health and well-being of our employees.

To ensure a continued focus on CTEK's employees, going forward we will work on a number of initiatives to promote health and well-being, the latter of which we will also measure and highlight as a key performance measure.

Gender equality & Diversity

At the close of the year, CTEK had 230 employees, 58 of whom were women. At that time, CTEK had 34 managers, 6 of whom were women. At the end of the year, CTEK's Board of Directors was made up of seven ordinary members (including the chair, but not including employee representatives), two of whom were women. At the end of the year, 23 nationalities were represented among the 230 employees.

Sick leave

During the year we saw continued relatively low levels of sick leave.

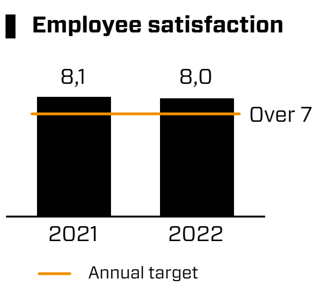
Health and safety

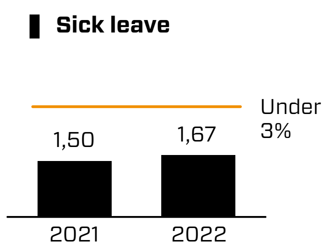
We are pleased to report that in 2021 CTEK had:

- 0 incidents
- 0 accidents
- 0 deaths in the workplace

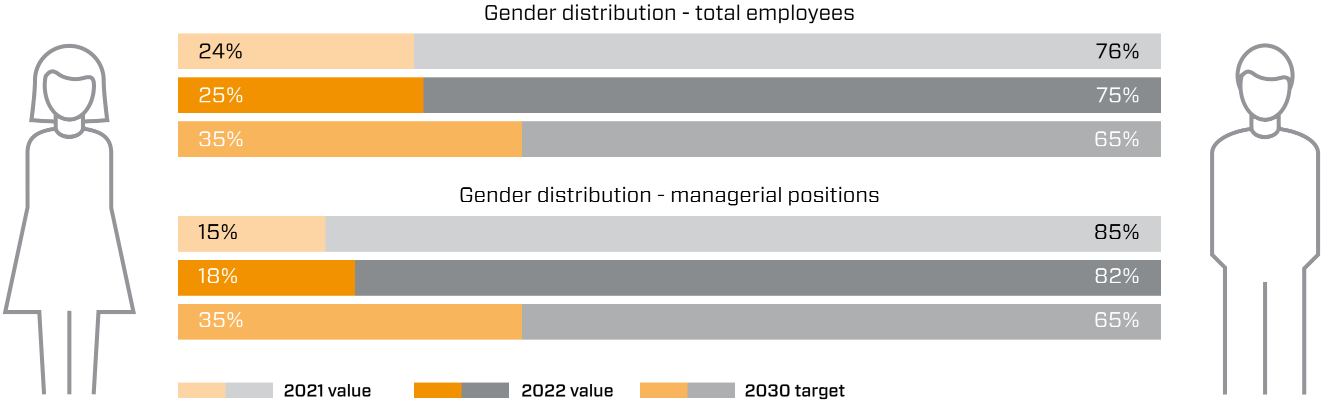
Employee satisfaction

We continue to see high levels of employee satisfaction at CTEK. The global geopolitical situation and related macroeconomic factors have had an impact on both the company and our employees in 2022.





Gender distribution at three levels KPI, Proportion of women and men respectively, %



Risk	Comment	Action
Risk of ill-health among employees.	The macroeconomic situation may have a negative impact on the financial position of the company, thus creating anxiety among employees.	Employee health risks are included in the company's overall annual risk assessment.
Risk of ill-health among employees.	A new form of external publicity for the company with its listing on Nasdaq Stockholm. More external pressure, less opportunity for transparency.	Weekly meetings with staff to inform and update on progress and changes related to the organisation.
Risk of ill-health among employees.	Smaller workforce resulting in higher workloads for remaining staff. Risk of both mental and physical ill-health.	Continuous risk assessments regarding the working environment. Dedicated working groups focusing on transition and organisational changes.

ESG(overnance)

Since CTEK was founded in 1997, corporate governance and risk management have been a top priority, with a particular focus on codes of conduct, human rights and business ethics. CTEK is a global company with sales in over 70 countries, which highlights the need to focus on these areas.

In 2022, our focus has been on continuing to refine and update the company's policies and guidelines in a number of different areas, including:

- Code of Conduct
- Sanctions Compliance Policy
- Risk Management Policy
- Business continuity policy
- Anti-corruption guidelines regarding gifts and hospitality

A selection of CTEK's policies and guidelines is available on our website.

Code of Conduct

The CTEK Code of Conduct has been a guiding document since 2012 and is reviewed regularly. In 2021, a comprehensive update was made with more details and requirements as well as implementation according to Training in Business Ethics. The CTEK Code of Conduct is revised and updated as needed and is approved by the Board. A minor update was approved by the Board in March 2023 to ensure that the Code of Conduct remains up-to-date and relevant. CTEK has chosen to have one common Code of Conduct for all direct and indirect employees and key stakeholders, including suppliers.

Training in Business Ethics

In 2022, the comprehensive business ethics training effort initiated in 2021 continued, with previously identified risk groups (e.g. management, sales, marketing, purchasing, HR and all new employees) participating in mandatory business ethics training.

Anti-corruption

CTEK has zero tolerance for all forms of corruption, which means that its employees and stakeholders must not be involved in any form of bribery, extortion or embezzlement. To facilitate the flagging of discrepancies, CTEK has introduced a whistle-blower channel where employees and other stakeholders can report non-compliant conduct.

In 2022, no cases of corruption were reported or suspected within CTEK or its stakeholders. The identified risk is *medium*, high impact but low likelihood of CTEK failing to detect fraud and/or other illegal behaviour. The highest risk of non-compliance has been identified in purchasing and sales.

Antitrust

CTEK employees and stakeholders must comply with antitrust regulations, competition laws and business ethics, such as IP, confidential information, theft and fraud.

In 2022, there were no reported or suspected antitrust cases within CTEK or its stakeholders. The identified risk is *medium*, medium-level impact but low probability of CTEK failing to identify non-compliance.

Anti-money laundering
CTEK's employees and stakeholders must refrain from all forms of money laundering.

In 2022, no cases of money laundering were reported or suspected within CTEK or its stakeholders. No significant risk identified in the area of money laundering. The content of customer and supplier contracts are protected and established in accordance with legal requirements to minimise this risk.

Conflicts of interest
CTEK employees and stakeholders must ensure that no conflicts of interest arise between the parties, which could affect the credibility of the stakeholders.

In 2022, no cases of conflicts of interest were reported or suspected within CTEK or its stakeholders. No risk was identified in the area

Trade regulations
CTEK employees and stakeholders are responsible for ensuring that the handling of substances, minerals, etc. that are classified as hazardous or illegal is done in compliance with applicable laws and regulations.

In 2022, no cases of non-compliance were reported or suspected within CTEK or its stakeholders. The identified risk is *medium*, high impact but low probability. This includes mainly conflict minerals but also compliance regulations. CTEK's products are 3rd party certified and we perform random tests on product materials.

Tax compliance
CTEK employees and stakeholders must comply with applicable laws and regulations as required by tax regulations.

In 2022, no cases of non-compliance were reported or suspected within CTEK. The identified risk is *medium*, medium impact but low likelihood, of CTEK failing to comply with all financial reporting and tax regulations.

Labour and human rights
All CTEK employees are covered by:
- Social benefits
- Collective bargaining agreements
- Insurance coverage

KPI	2021 value	2022 value	Annual target
Governance related non-compliance	0	0	0

Risk	Comment	Action
Risk of human rights violations in the supply chain.	CTEK has no production of its own. Due to the pandemic and subsequent restrictions, the company has not been able to conduct its own site audits to the same extent as before.	Risks related to human rights are included in the company's overall annual risk assessment. The goal is, as soon as practically possible, to return to previous procedures regarding the company's own audits (including sustainability aspects) of level 1 & 2 suppliers.
Risk of unethical behaviour within the company.	In 2022, no cases of corruption were reported or suspected among CTEK or its stakeholders. The identified risk is medium, high impact but low likelihood of CTEK failing to detect fraud and/or other illegal behaviour.	Regular annual mandatory training for risk groups and new employees on the Code of Conduct and business ethics.
Risks related to global sanctions	It is a challenge to ensure that the company does not violate any international sanctions as these are rapidly changing due to the current global situation.	Basic policy in place ("Sanctions Policy"), extra focus in 2022 on business ethics and the Code of Conduct. Resulted in a number of in-depth assessments in identified risk areas.

Auditor's opinion on the statutory sustainability report

Mandate and responsibilities
The Board of Directors is responsible for the 2022 sustainability report on pages 29-37 and for ensuring that it is prepared in accordance with the Annual Accounts Act.

Focus and scope of the audit
Our audit was conducted in accordance with FAR recommendation RevR 12 Auditor's opinion on the statutory sustainability report. This means that our audit of the sustainability report has a different focus and a significantly smaller scope compared to the focus and scope of an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We find that such an audit provides a satisfactory basis for our opinion.

Opinion
A sustainability report was prepared.

Stockholm, on such date as indicated by our electronic signature
Ernst & Young AB

Erik Sandström
Authorised public accountant

Financial statements

Management report

The Board of Directors and the CEO of CTEK AB (publ), Corporate Registration Number 559217-4659, hereby present the annual and consolidated accounts for the 2022 financial year. All amounts are listed in millions of SEK (SEK million) unless otherwise indicated.

General information about the operations

Since 1997, CTEK has been selling, marketing and conducting technical development of battery chargers and related products, as well as products and systems for charging electric vehicles, under its own brand. CTEK's main customer group is distributors, retailers, OEMs, electricians, property owners and charging point operators, who manage charging stations.
The company operates in Sweden, U.S., U.K., Germany, France, Denmark, Norway, Australia, China and Hong Kong.

The company's registered office is in Hedemora Municipality in Dalarna County, Sweden.

Ownership

Investmentaktiebolaget Latour	31 %
Fjärde AP-Fonden	10 %
AMF Pension & Fonder	9 %
Other owners	50 %

Expected future developments and material risks and uncertainties

CTEK is continuously conducting research to remain at the cutting edge and launch innovative solutions for charging low-voltage batteries and electric cars. With continued solid partnerships with existing suppliers and the recruiting of new suppliers, the CTEK Group is well positioned for future investments in both new and established markets. From a sales perspective, the Group has a positive outlook for the near future, with continued strong relationships with old customers as well as the development of new customers, where GM will be an important partner.

CTEK is exposed to risks associated with macroeconomic factors, which means that the market situation remains uncertain in the near future, with higher purchase prices related to inflation and weaker purchasing power among consumers. The geopolitical situation in Europe with Russia's invasion of Ukraine has led to heightened volatility in the global financial markets and negatively affected the global economy. Uncertainty over future economic and price developments is high due to the current global situation and the future course of events is very unpredictable. For information on other risks, please see Note 2.

Significant events during the financial year

– Mathias Sandh assumes the position of Chief Financial Officer (CFO) and becomes a temporary member of the company's management team.

– CTEK AB (publ) signed an agreement for a twelve (12) month extension of the existing SEK 100 million credit facility available from April 2022. The increase was made to secure the Company's strategic objectives in situations where adverse environmental factors, such as disruptions in supply chains, could lead to increased capital requirements.

– The number of shares and votes in CTEK AB (publ) increased by 690,118 from 49,292,936 to 49,983,054 as a result of new shares being issued in the share issue decided by the Annual General Meeting on 12 May 2022. The share capital increased by SEK 690,118 from SEK 49,292,936 to SEK 49,983,054.

– A long-term incentive programme (LTIP 2025), approved by the Annual General Meeting on 12 May 2022, was signed by the company's senior executives.

– Thom Mathisen assumes the position as Chief Financial Officer (CFO) and becomes a regular member of the Group's management team.

– The maturity of the 12-month SEK 100 million additional credit facility obtained in April 2022 has been extended until December 2023. In conjunction with this and in order to handle a higher debt/equity ratio than previously assessed during the coming 12-month period, certain loan terms, regarding both financial parameters and ownership structure, for the company's total loan commitment, have also been temporarily renegotiated.

– The company has agreed to sell the property Vikmanshyttan 3:13 in the latter part of 2023. According to preliminary estimates, the sale is expected to realise a profit of SEK 1.8 million.

– Gary Brown is appointed Global Director Aftermarket and becomes a regular member of the Group's management team.

– CTEK has temporarily extended its existing facility agreement with Swedbank AB (publ), the extended part of the loan matures in May 2023. The company already has a multi-currency revolving credit facility (RCF) of SEK 700 million, of which SEK 200 million is a cheque facility. The new cheque facility amounts to SEK 800 million, of which SEK 200 million is a cheque facility.

Significant events after the close of the financial year

– CTEK's Board of Directors and Jon Lind have jointly agreed that Jon Lind will leave his position as President and CEO, which he has held since April 2013. The Board appointed Ola Carlsson, member of the Board since 2011, as acting CEO from 10 January.

– CTEK's Board of Directors has decided on a guaranteed preferential rights issue of SEK 350 million. The preferential rights issue was approved at an Extraordinary General Meeting on 3 March 2023. The rights issue has been subscribed and paid in full. At the Extraordinary General Meeting, Stefan Linder resigned as a board member and was replaced by Johan Menckel.

Products and markets

The work on product and market development is proceeding according to plan, with a focus on both established key markets for the Group and investments in new markets where electric car chargers will be especially important. This means that investments will be made where we think they will provide the greatest opportunity for strong returns. For key information on products, geographic expansion, risks and objectives, please also see pages 7-16 of this Annual Report.

Sustainability Report

A statutory Sustainability Report in accordance with the Annual Accounts Act was prepared covering the whole Group separately from the statutory Annual Report and is included on pages 29-38 of this Annual Report.

Corporate Governance Report

A Corporate Governance Report describing the work of the Board during the year was prepared in accordance with legal requirements. The Corporate Governance Report can be found on pages 17-28 of this Annual Report and is incorporated into the Management Report.

GUIDELINES FOR REMUNERATION OF EXECUTIVE MANAGEMENT

Salaries and other remuneration of CTEK's Board of Directors, CEO and Group management

The principles governing the remuneration of the Board of Directors and Group management are approved by the shareholders at the Annual General Meeting. The principles that were approved by the 2022 Annual General Meeting are described below.

Guidelines for remuneration of the CEO and corporate management.

The guidelines apply to new contractual remuneration, and modifications of already contracted remuneration, after the guidelines were adopted by the 2022 Annual General Meeting. The guidelines do not apply to remuneration decided by the Annual General Meeting.

The successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, depend on the company's ability to recruit, incentivise and retain qualified employees. This requires the company to offer competitive remuneration. These guidelines enable executive management to be offered a competitive total remuneration package.

Variable cash remuneration included in these guidelines should be aimed at promoting the company's business strategy and long-term interests, including its sustainability.

Forms of remuneration

Remuneration shall be in line with market conditions and may consist of the following components:

- Fixed cash wage
- Variable cash remuneration
- Pensions and other benefits

Additionally, and independently of these guidelines, the Annual General Meeting may decide, for instance, on share and share-price related remuneration.

Compliance with the criteria for the payment of variable cash remuneration must be measurable over a period of one year. The variable cash remuneration may not exceed 80 per cent of the total fixed cash remuneration during the measurement period for such criteria.

For the CEO, pension benefits, including health insurance, shall be defined contribution. Variable cash remuneration must not be pensionable. Pension premiums for defined contribution pensions shall not exceed 30 percent of the fixed annual cash salary.

For other executive management, pension benefits, including health insurance, shall be defined contribution unless the executive is covered by a defined benefit pension under the terms of mandatory collective bargaining agreements. The variable cash remuneration shall be pensionable to the extent that this is provided for under the terms of any mandatory collective bargaining agreements that are applicable to the executive. Pension premiums for defined contribution pensions must accord with mandatory collective bargaining agreements. Other benefits may include, but are not limited to, medical insurance and car benefits as per company guidelines.

For employment relationships subject to non-Swedish regulations, such as pension benefits and other benefits, appropriate adjustments may be made to comply with such mandatory rules or established local practice, in which case the overall purpose of these guidelines shall be met as far as possible.

Termination of employment

In the event of termination on the part of the Company, the notice period must not exceed nine (9) months. Fixed cash remuneration during the notice period and severance pay may not in total exceed an amount equal to the fixed cash remuneration for 18 months for the CEO and 12 months for other executive management. The cash salary shall be paid monthly during the period of notice. In the event of termination on the part of the executive, the notice period may not exceed nine (9) months, without entitlement to severance pay.

Additional remuneration may be paid for a non-compete commitment, where applicable. Such remuneration shall compensate for any loss of income and shall be paid only to the extent that the former executive is not entitled to severance pay. The remuneration shall not exceed 60 per cent of the monthly income at the time of termination and shall be paid for the duration of the non-competition obligation, which shall not exceed six (6) months following the termination of employment.

Criteria for the distribution of variable cash remuneration

The variable cash remuneration shall be linked to predetermined and measurable criteria, whether financial or non-financial. They may also be personalised quantitative or qualitative targets. The criteria must be designed to promote the company's business strategy and long-term interests, including its sustainability, by, for instance, establishing a clear link to the business strategy or promoting the executive's long-term development.

Upon completion of the measurement period for compliance with the criteria for the payment of variable cash remuneration, the extent to which the criteria are met must be assessed/determined. The Remuneration Committee is responsible for assessing the CEO's variable cash remuneration. With regard to other executives' variable cash remuneration, the CEO is responsible for such assessments. For financial targets, the assessment shall be based on the latest financial information published by the company.

Salary and terms of employment

In preparing the Board's proposed Remuneration Guidelines, the remuneration and employment terms of the Company's employees have been taken into account by providing information on the total remuneration of employees, the components of remuneration and the rate and increase of remuneration over time as part of the decision-making process of the Remuneration Committee and the Board in evaluating the reasonableness of the Guidelines and the resulting limitations.

The decision-making process for establishing, reviewing and implementing the guidelines

The Board has established a Remuneration Committee. The Committee's tasks include preparing the Board's decision on proposed guidelines for the remuneration of executive management. The Board shall draw up proposals for new guidelines at least every four years and submit them to the Annual General Meeting for approval. The guidelines shall remain in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate variable remuneration programmes for senior management, the application of the guidelines for remuneration of executive management and the current remuneration structures and levels in the Company. The members of the remuneration committee are independent of the Company and its management. Insofar as the Chief Executive Officer or other members of senior management are impacted by a remuneration related matter, they will not be present when the board of directors discusses and decides on such a matter.

Deviations from the guidelines

The Board of Directors may resolve to deviate temporarily from the guidelines, in whole or in part, if there are specific reasons for doing so in an individual case and where a deviation is necessary to meet the long-term interests of the Company, including its sustainability, or to ensure the Company's financial viability. As stated above, the Remuneration Committee is responsible for preparing the Board's decisions on matters relating to remuneration, including decisions on deviations from the guidelines.

Financial overview of the Group

SEK million	2022	2021	2020	2019	2018
Net sales	950.1	921.8	706.3	635.4	573.3
Operating income	36.2	81.8	142.7	68.3	102.1
Operating margin, %	4	9	20	11	18

Financial development

Net sales

Net sales for the full year increased by 3 percent to SEK 950 million (922). In organic terms, net sales decreased by 4 per cent. Deliveries of products within Electric Vehicle Supply Equipment (EVSE) increased to SEK 237 million (163) and accounted for 26 per cent (18) of sales for the year.

Earnings

The gross margin was 50.3 percent (52.9). The decrease is mainly due to a changing product mix and a higher proportion of purchases outside framework agreements compared to the previous year, which was still mitigated by a more normalised supply chain in the second half of the year.

Adjusted EBITA was SEK 79 million (151), an adjusted EBITA margin of 8.3 percent (16.3). The main reason for the earnings trend was lower volumes and a lower gross margin, as well as a continued generally high cost level.

EBIT was SEK 36 million (82), with an EBIT margin of 3.8 percent (8.9). The full year included items affecting comparability of SEK -15 million (-40), which is attributable to the ongoing reorganisation and a restructuring of the supply chain in the third quarter of the year. See Note 8 for a specification of items affecting comparability.

Financial income and expenses

Net financial income and expenses were SEK -15 million (-76) for the full year. The improved net result was due to lower interest expenses as a result of the refinancing in connection with the IPO in September 2021, and by the positive effects of realised and unrealised currency derivatives and foreign exchange effects on internal loans.

Tax

The tax for the year was SEK 19 million (-1), with an effective tax rate of 87.4 percent, due to the reversal of previous years' deferred taxes.

Consolidated profit

The consolidated profit for the year after tax was SEK 3 million (4), which equals earnings per share after dilution of SEK 0.05 (0.10).

Cash flow and cash and cash equivalents

The cash flow from operating activities was SEK -47 million (-28) for the full year, largely attributable to an increase in working capital needed as a result of inventory build-up to ensure future quarterly deliveries, as well as the lower profit. The cash flow from investing activities was SEK -116 million (-67 million). The cash flow from financing activities was SEK 115 million (50 million), mainly from raising new loans by exercising the SEK 128 million cheque facility. Cash and cash equivalents at the end of the period was SEK 10 million (54). The available cheque facility at the end of the period was SEK 200 million (100 million), of which SEK 181 million (58 million) has been utilised.

Investments
CTEK's investments totalled SEK -116 million (-67 million) during the year, of which SEK -9 million (-15 million) related to investments in tangible assets and SEK -109 million (-52 million) related to investments in intangible assets attributable to deferred development costs.

Equity and indebtedness
CTEK's balance sheet total was SEK 1,708 million as of 31 December 2022 (1,566 million as of 31 December 2021). Equity increased by SEK 7 million to SEK 662 million during the year (655 million). Interest-bearing net debt was SEK 677 million at the end of the year (553 million). Net debt in relation to adjusted EBITDA over the last 12-month period was 5.4x, compared with 2.6x on 31 december 2021, mainly due to the lower earnings.

Proposed appropriation of the company's profit

The following amounts in SEK are at the disposal of the Annual General Meeting:

Share premium reserve	1,339,422,658
Retained earnings	5,344,394
Earnings for the financial year	-19,912,806
Total	**1,324,854,246**

The Board of Directors proposes that available earnings and unrestricted funds be appropriated as follows:

Balance carried forward	**1,324,854,246**

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2022 financial year.

For the company's other results and its financial position generally, please see the attached financial statements and related notes.

Consolidated statement of profit or loss

SEK million	Note	2022-12-31	2021-12-31
Operating income			
Net sales	4	950.1	921.8
Other operating income	7	6.8	4.8
Total revenues		**956.9**	**926.5**
Operating expenses			
Goods for resale		-472.0	-434.1
Other external expenses	5	-179.9	-134.9
Personnel costs	6	-179.7	-165.4
Depreciation, amortisation and impairment of tangible and intangible assets	12, 13, 14	-72.0	-68.5
Other operating expenses	7	-2.1	-1.5
Items affecting comparability	8	-14.9	-40.4
Total expenses		**-920.7**	**-844.7**
Operating income		**36.2**	**81.8**
Net financial items			
Financial income	9	8.9	6.6
Financial expenses	9	-23.7	-82.6
Financial items – net	9	**-14.8**	**-76.0**
Profit before tax		**21.3**	**5.8**
Tax on net profit for the year	10	-18.6	-1.4
Earnings for the financial year		**2.7**	**4.4**
Earnings, SEK per share before dilution	11	0.05	0.10
Earnings, SEK per share after dilution	11	0.05	0.10

Consolidated statement of other comprehensive income

SEK million	Note	2022-12-31	2021-12-31
Earnings for the financial year*		2.7	4.4
Other comprehensive income			
Items that can be reclassified as profit or loss for the years			
Exchange rate differences upon translation of foreign subsidiaries		-0.3	-0.3
Other comprehensive income for the year, after tax		**-0.3**	**-0.3**
Comprehensive income for the year, after tax		**2.4**	**4.1**
Comprehensive income for the year attributable to			
Parent Company shareholders		2.4	4.1
Comprehensive income for the year*		**2.4**	**4.1**

*) Sum of income and comprehensive income for the year is entirely attributable to the parent company shareholders.

Consolidated statement of financial position

SEK million	Note	2022-12-31	2021-12-31
ASSETS			
Fixed assets			
Intangible assets	12, 13		
Goodwill		455.8	455.8
Trademark		259.5	259.5
Patents, licenses		6.2	6.6
Deferred development costs		199.3	116.9
Technology		83.6	94.5
Customer Relations		92.4	108.9
Total intangible assets		**1,096.8**	**1,042.2**
Tangible assets			
Buildings and land	14	1.5	2.3
Equipment, tools and installations	14	25.7	25.2
Right-of-use assets	25	16.6	17.0
Total, tangible assets		**43.8**	**44.5**
Other fixed assets			
Deferred tax liabilities	10	6.8	9.5
Total, other fixed assets		**6.8**	**9.5**
Total, fixed assets		**1,147.4**	**1,096.2**
Current assets			
Inventories	15	311.3	199.2
Accounts receivable	16, 18	194.4	188.6
Current tax assets		0.7	0.1
Other short-term receivables	16	8.4	9.3
Prepaid expenses and accrued income	19	35.5	12.9
Derivatives	16, 17	-	4.9
Cash and cash equivalents		10.0	53.5
Assets held for sale	30	0.7	1.7
Total, current assets		**560.9**	**470.3**
TOTAL ASSETS		**1,708.3**	**1,566.4**

*) Sum of income and comprehensive income for the year is entirely attributable to the parent company shareholders.

Consolidated statement of financial position

SEK million	Note	2022-12-31	2021-12-31
EQUITY AND INDEBTEDNESS			
Equity			
Share capital	20	50.0	49.3
Other contributed equity		981.8	977.9
Conversion reserves		-6.7	-6.4
Retained earnings including net profit for the year		-362.8	-365.8
Total equity		**662.4**	**655.1**
Long-term liabilities			
Other provisions	22	5.1	3.2
Interest-bearing liabilities	16, 21	496.1	495.5
Lease liabilities	21, 25	9.8	11.4
Deferred tax liabilities	10	120.5	111.7
Total long-term liabilities		**631.5**	**621.7**
Short-term liabilities			
Accounts payable	16	130.7	115.3
Short-term portion of interest-bearing liabilities		180.6	58.0
Lease liabilities	21, 25	7.6	6.4
Current tax liabilities		20.0	37.4
Derivatives	16, 17	-	1.0
Other liabilities	16	14.3	10.5
Accrued costs and prepaid income	23	61.2	61.0
Total short-term liabilities		**414.5**	**289.6**
TOTAL EQUITY AND INDEBTEDNESS		**1,708.3**	**1,566.4**

Consolidated statement of change in equity

SEK million	Share capital	Other contributed equity	Conversion reserve	Retained earnings	Total equity
Opening equity 1 January 2021	**42.4**	**619.5**	**-6.0**	**-370.2**	**285.6**
Earnings for the financial year				4.4	4.4
Other comprehensive income for the year			-0.3		-0.3
Comprehensive income for the year			**-0.3**	**4.4**	**4.1**
Transactions with the Group's owners					
New share issues	6.9	365.2			372.1
Issue costs		-18.3			-18.3
Other					
Paid-in warrants		11.5			11.5
Closing equity 31 December 2021*	**49.3**	**977.9**	**-6.4**	**-365.8**	**655.1**
Opening equity 1 January 2022	**49.3**	**977.9**	**-6.4**	**-365.8**	**655.1**
Earnings for the financial year				2.7	2.7
Other comprehensive income for the year			-0.3		-0.3
Comprehensive income for the year			**-0.3**	**2.7**	**2.4**
Transactions with the Group's owners					
New share issues	0.7	-0.7			-
Other					
Paid-in warrants		0.7			0.7
Other items recognised directly against equity		3.9		0.3	4.2
Closing equity 31 December 2022*	**50.0**	**981.8**	**-6.7**	**-362.8**	**662.4**

*Equity at the end of the period is entirely attributable to the Parent Company's owners.

Consolidated statement of cash flows

SEK million	Note	2022-12-31	2021-12-31
Operating activities			
Operating income		36.2	81.8
Adjustments for items not included in the cash flow:	27		
Depreciation/amortisation		72.0	68.5
Changes provisions		1.9	-0.3
Other non-cash items		-2.0	-4.1
Cash flow before financial items		**108.1**	**145.9**
Interest receivable and similar items		6.2	3.4
Interest paid		-22.6	-56.7
Financial items paid		-4.5	-4.9
Tax paid		-21.6	-13.4
Cash flow from operating activities before changes in working capital		**65.5**	**74.3**
Cash flow from changes in working capital			
Change in inventories		-106.9	-61.1
Change in operating receivables		-20.9	-74.1
Change in operating liabilities		15.7	32.7
Cash flow from operating activities		**-46.6**	**-28.4**
Investment activities			
Acquisition of tangible fixed assets	14	-9.2	-15.1
Acquisition of intangible fixed assets	12, 13	-109.3	-51.9
Sale of tangible fixed assets		2.8	0.2
Acquisition of subsidiaries		-	0.0
Divestment of subsidiaries		0.0	-
Cash flow from investment activities		**-115.7**	**-66.8**
Financing activities			
Paid-in new share issue		-	372.1
Issue cost		-	-18.3
Paid-in warrants		0.7	11.5
Repayment of loans		127.6	558.0
Amortisation of lease liability	25	-8.1	-6.1
Amortisation of liability		-5.0	-867.0
Cash flow from financing activities		**115.2**	**50.3**
Cash flow for the year		**-47.1**	**-44.9**
Cash and cash equivalents at the opening of the year		53.5	94.7
Exchange-rate differences in cash and cash equivalents		3.7	3.6
Cash and cash equivalents at the close of the year		10.0	53.5

Notes

GENERAL INFORMATION

The consolidated financial statements encompass CTEK AB (publ) (the "Company"), with corporate registration number 559217-4659 and its subsidiaries. The Group conducts sales, marketing and technical development of battery chargers and related products, as well as products and systems for charging electric vehicles.

The parent company is a limited liability company registered in Sweden and has its registered office in Hedemora Municipality in Dalarna County, Sweden. The street address of the head office is Rostugnsvägen 3, SE-776 70 Vikmanshyttan, Sweden. These financial statements were approved by the Board of Directors and the Chief Executive Officer on 4 April 2023.

All amounts are presented in millions of SEK (SEK million) unless otherwise stated.

Tables and calculations may reflect roundings, which means that the totals provided are not always the exact sum of the rounded sub-totals.

NOTE 1 ACCOUNTING PRINCIPLES

Basis of consolidated financial statements

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union (EU). The Group also applied the Swedish Annual Accounts Act (1995:1554) and RFR 1 "Supplementary Accounting Rules for Groups" issued by the Swedish Financial Reporting Board.

The consolidated financial statements were prepared based on the assumption of a going concern. Assets and liabilities are measured based on historical cost, except for certain financial instruments that are measured at fair value. The consolidated financial statements were prepared in accordance with the purchase method of accounting whereby all subsidiaries over which control is exercised are consolidated from the date on which control is obtained.

Preparing financial statements in accordance with IFRS requires the use of some key estimates for accounting purposes. The areas involving a high degree of estimation, which are complex or where assumptions and estimates are material to the consolidated financial statements, are disclosed in Note 3. These estimations and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual outcomes may differ from estimates made.

Unless otherwise indicated, the accounting policies stated out below were applied consistently to all periods presented in the consolidated financial statements.

New and amended IFRS applied by the Group

There were no new standards or amendments to standards in 2022 that required a change in accounting or valuation principles.

New and amended IFRS not yet applied

Future standards, amendments and improvements to existing standards and interpretations that are not effective for the 2022 financial year have not been prospectively adopted when preparing this financial report. CTEK's assessment is that none of these changes, which are not yet in effect, are expected to have a material impact on the Group's financial statements.

Consolidated financial statements

Subsidiaries

Subsidiaries are all companies in which the Group has a controlling interest. The Group controls an entity when it is exposed to or has the right to a variable return from its holding in the entity and has the ability to affect that return through its influence over the entity. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

The acquisition method is used to report the Group's acquisitions of subsidiaries. This method treats the acquisition of a subsidiary as a transaction whereby the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The acquisition analysis determines the fair value on the acquisition date of the identifiable assets acquired and liabilities assumed and any non-controlling interests. Any transaction costs incurred, except for costs attributable to the issue of equity or debt instruments, are recognised directly in the net profit for the year. For business combinations where the transferred consideration exceeds the fair value of the assets acquired and liabilities assumed, which are recognised separately, the difference is recognised as goodwill. When the difference is negative, which is known as a bargain purchase, it is recognised directly in the net profit for the year. After initial recognition, goodwill is recognised at cost less any accumulated impairment. Goodwill acquired in a business combination is allocated from the acquisition date to the cash-generating unit that is expected to benefit from the acquisition.

The Group determines whether a transaction is a business combination by evaluating whether the assets acquired and liabilities assumed constitute a business. A movement consists of inputs and processes applied to these inputs that can contribute to creating outputs. If the assets acquired are not a business, the transaction or other event is recognised as an asset acquisition.

Intra-group transactions and balance-sheet items and unrealised gains and losses on transactions between Group companies are eliminated in their entirety when preparing the consolidated financial statements.

Translation of foreign currencies

Functional currency and presentation currency

The functional currency of the various entities in the Group is the local currency, as this has been defined as the currency that is used in the primary economic environment in which each entity primarily operates. The consolidated financial statements use Swedish kronor (SEK), which is the functional currency of the parent company and the presentation currency of the Group.

Transactions and balance-sheet items

Transactions in foreign currencies are translated to the functional currency at the exchange rates on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the exchange rate on the balance-sheet date. Non-monetary items measured at historical cost in a foreign currency are not translated. Exchange-rate gains and losses attributable to the settlement of such transactions and on translation of monetary assets and liabilities denominated in foreign currencies on the closing-day rate are recognised in the operating profit in profit or loss.

Exchange-rate gains and losses attributable to financial receivables and liabilities are recognised in profit and loss as financial income or expenses.

Translation of foreign Group companies
The earnings and financial position of all Group companies that have a functional currency other than the presentation currency are translated to the Group's presentation currency. The assets and liabilities of each of the balance sheets are translated from the functional currency of the foreign operation to the Group's presentation currency, Swedish kronor, at the exchange rate applicable on the balance-sheet date. The income and expenses in each of the income statements are translated to Swedish kronor at the average exchange rate for the period. Translation differences arising from currency translation of foreign operations are recognised in other comprehensive income and accumulated in the translation reserve in equity.

Exchange rates when translating foreign Group companies;

Currency	Average rate 2022	Average rate 2021	Exchange rate 2022-12-31	Exchange rate 2021-12-31
USD	10.1	8.6	10.4	9.0
EUR	10.6	10.1	11.1	10.2
HKD	1.3	1.1	1.3	1.2
CNY	1.5	1.3	1.5	1.4
AUD	7.0	6.4	7.1	6.6
DKK	1.4	1.4	1.5	1.4
GBP	12.5	11.8	12.6	12.2
NOK	1.1	1.0	1.1	1.0

Items affecting comparability
Items affecting comparability refers to items in the income statement that have had an impact on the operating result and are important for understanding the underlying performance of the business. In 2022, this item referred to costs related to the company's reorganisation and the supply chain restructuring. In 2021, this item referred to costs related to the company's listing process.

Income from contracts with customers and other income
Revenues are recognised in accordance with IFRS 15. Revenues consist mainly of sales of battery chargers and to some extent sales of accessories for battery chargers, as well as of products for charging electric vehicles.

Sale of goods
CTEK supplies goods to customers, which is the only performance obligation. This obligation meets the criteria for recognising revenue at a certain point in time when the performance obligation has been satisfied and control of the goods has been passed to the customer according to the applicable terms. This occurs, for example, when CTEK has an existing right to payment for the goods, the customer has the legal title to the good, physical possession of the good has been transferred to the customer and the customer has the significant risks and rewards related to the ownership of the goods.

Variable consideration
Generally speaking customer contracts contain only a few examples of variable consideration. Some contracts include volume and cash discounts. In such cases, the variable consideration expected to be repaid by the customer is estimated and the entire amount is recognised as a liability.

Interest income
Interest income on long-term receivables is calculated using the effective interest method. Interest income includes accrued amounts of any discounts, premiums and other differences between the original value of the receivable and the amount that will be received at maturity.

Dividends
Dividends are recognised as income when the right to receive payment has been established. This also applies to dividends are paid from profits accrued before the date of acquisition. As a consequence, the investment needs to be tested for impairment.

Segment reporting
Operating segments are presented in accordance with IFRS 8 in a manner consistent with the internal reporting provided to the chief operating decision maker, which for CTEK is the Group's CEO. The chief operating decision maker is the function responsible for allocating resources and assessing the performance of the operating segments. The Group has three operating segments: Aftermarket, Original Equipment and Energy & Facilities. These segments consist of two technologies focusing on premium battery chargers and electric vehicle chargers and accessories. Segment reporting is recognised consistently for each year in Note 4.

Earnings per share
Earnings per share are calculated in accordance with IAS 33. To calculate the diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted for the dilutive effect of all potential ordinary shares. These potential ordinary shares are attributable to the warrants indicated in Note 6.

Intangible assets
Deferred development costs
An intangible asset is measured at cost when it is first recognised in the financial statements. The useful life of an intangible asset is either definite or indefinite. Intangible assets with definite useful lives are recognised at cost less amortisation and any impairment. Intangible assets with indefinite useful lives are not amortised but are instead tested for impairment every year, either individually or as part of a cash-generating unit.

Development expenditure for new or improved products, including technology, is recognised as intangible asset when it meets the following criteria:

- it is technically feasible to complete the product for use,
- the Company's intention is to complete the product for sale or use,
- there is an ability to use or sell the product,
- it is possible to demonstrate how the product will generate probable future financial benefits,
- adequate technical, financial and other resources are available for completing development and for using or selling the product, and
- the expenditure attributable to the product during its development can be reliably measured.

Examples of documents that serve to validate capitalisation implemented include business plans, budgets and the company's assessments of future outcomes. The cost is the sum of the direct and indirect expenses incurred from the date on which the intangible asset meets the above criteria. Intangible assets are recognised at cost less accumulated amortisation and any impairment. Impairment commences when the asset can start to be used and takes place in line with the estimated useful life and in relation to the economic benefits expected to be generated by the product development.
Other development expenses that do not meet these criteria are expensed as they are incurred. Previously expensed development expenses are not recognised as an asset in the balance sheet.

Amortisation principles

Intangible assets with finite useful lives are amortised systematically over the estimated useful life of the asset. The useful life is reviewed at each reporting period and adjusted as necessary. When the amortisable amount of the assets is determined, the residual value is taken into account where applicable. Intangible assets with definite useful lives are amortised from the date they are available for use. The estimated useful lives of intangible assets are as follows:

Patents, licenses	3-20 years
Technology	10-20 years
Deferred development costs	3-6 years
Customer Relations	6-20 years
Trademarks, goodwill	Indefinite lives

Tangible assets

Tangible assets are recognised at cost less accumulated depreciation and any impairment. Cost includes expenditure directly attributable to the acquisition of the asset to bring it to the location and in the condition necessary for its intended use.

The carrying amount of an asset is derecognised from the balance sheet when it is disposed or divested or when no future economic benefits are expected from the use or disposal/divestment of the asset. Gains or losses arising from the sale or disposal of an asset consist of the difference between the selling price and the asset's carrying amount less direct selling expenses. Profits and losses are recognised as other operating income/expenses in the income statement.

Any additional expenses are added to the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the asset will accrue to the Group and the cost of the asset can be reliably measured. All other repairs and maintenance are recognised as expenses in the income statement in the period in which they are incurred.

Land is not depreciated. Depreciation of other assets to reduce their cost to the estimated residual value over the estimated useful life is calculated on a straight-line basis as follows:

Buildings	20-25 years
Equipment, tools and installations	3-5 years

The residual values and useful lives of the assets are reviewed at the end of each reporting period and adjusted as necessary. If the asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is immediately written down to its estimated recoverable amount.

Impairment of non-financial assets

The Group tests for impairment whenever there is an indication of a decline in value in tangible or intangible assets, meaning whenever events or changes in circumstances indicate that the carrying amount is not recoverable.

Impairment is recognised at the amount by which the asset's carrying amount exceeds its recoverable amount. A recoverable amount is the higher of the net realisable value and the value in use, which is an internally generated value based on future cash flows. When determining impairment requirements, assets are grouped down to the lowest level where separate identifiable cash flows (cash-generating units) exist. When impairment requirements are identified for a cash-generating unit or group of units, the impairment amount is primarily allocated to goodwill. Other assets in the unit or group of units subsequently undergo proportional impairment. In calculating value in use, future cash flows are discounted using a discount rate that takes into account the risk-free interest and risk related to the specific asset. An impairment is charged to the income statement.

Impairment is reversed for all assets except goodwill if the recoverable amount is deemed to exceed the carrying amount. However, there is no reversal of an amount greater than what the carrying amount would have been if impairment had not been recognised in prior periods. Any reversals are recognised in the income statement.

Goodwill and trademarks are tested for impairment annually as of 31 December and whenever there is an indication that the carrying amount may be impaired. Impairment of assets is determined by calculating the recoverable amount attributable to each cash-generating unit. When the recoverable amount of the cash-generating unit is less than its carrying amount, an impairment loss is recognised. Impairment of goodwill cannot be reversed in subsequent periods.

Financial instruments

Financial instruments are any form of contract that gives rise to a financial asset in one company and a financial liability or an equity instrument in another company.

Recognition and derecognition in the statement of financial position

A financial asset or liability is recognised in the statement of financial position when the company becomes a party to the contractual terms of the instrument. Transactions with financial assets are recognised on the transaction date, which is the date on which the Group commits to acquire or dispose of the assets.

A financial asset is derecognised from the statement of financial position (in whole or in part) when the rights under the contract are realised, expire or the company loses control of them. A financial liability is derecognised from the statement of financial position (in whole or in part) when the obligation under the contract is met or otherwise extinguished. A financial asset and a financial liability are offset and the net amount is recognised in the statement of financial position only when there is a legal right to offset the amounts and there is an intention to settle the items on a net basis or to realise the asset and settle the liability simultaneously. Gains and losses from derecognition or modification in the balance sheet are recognised in the income statement. On every reporting date, the company evaluates impairment requirements pertaining to expected credit losses for a financial asset or group of financial assets, as well as any other existing credit exposures.

Classification and measurement of financial assets

Debt instruments: the classification of financial instruments that are debt instruments is based on the Group's business model for holding the assets and the nature of the asset's contractual cash flows.

The instruments are classified as:
- amortised cost
- fair value through other comprehensive income or fair value through profit or loss.

The Group's assets in the form of debt instruments are classified as amortised cost. Financial assets classified at amortised cost are initially measured at fair value plus transaction costs. Accounts receivable are initially recognised at the invoiced amount. Following initial recognition, the assets are measured according to the effective interest method. Assets classified at amortised cost are held under the business model of collecting contractual cash flows that are solely payments of principal and interest on the outstanding principal. The assets are subject to a loss reserve for expected credit losses and are measured at amortised cost.

Equity instruments are classified at fair value through profit or loss, unless they are held for trading, in which case an irrevocable election can be made to classify them at fair value through other comprehensive income with no subsequent reclassification to profit or loss. The Group classifies equity instruments at fair value through profit or loss. Derivative instruments are classified at fair value through profit or loss, except where hedge accounting is applied.

Classification and measurement of financial liabilities
Financial liabilities are classified at amortised cost except for derivatives and additional earnouts. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. Following initial recognition, they are measured at amortised cost using the effective interest method. Derivative instruments are classified at fair value through profit or loss. Earnouts are measured at fair value in profit or loss.

Hedging of transactions in foreign currency
The Group may hedge transactions in EUR and USD using currency forward contracts. The Group does not apply hedge accounting which is why the changes in fair value are recognised in the operating result.

Hedging of variable interest payments
The Group applies certain hedging of interest payments through interest-rate swaps whereby variable interest payments are replaced by fixed interest payments. Changes in fair value are recognised in net financial items in the income statement.

Impairment of financial instruments
The Group's financial assets and contract assets, except those classified at fair value through profit or loss, are subject to impairment for expected credit losses. Impairment of credit losses under IFRS 9 are forward-looking, and a loss reserve is made when there is an exposure to credit risk, normally on initial recognition. Expected credit losses reflect the current value of all deficits in cash flows attributable to defaults, either for the next 12 months or for the expected remaining life of the financial instruments, depending on the type of asset and on credit impairments since initial recognition. Expected credit losses reflect an unbiased, probability-weighted outcome that takes into account multiple scenarios based on reasonable and verifiable forecasts. Measuring expected credit losses takes into account any collateral and other credit enhancements in the form of guarantees.

The simplified model is applied to accounts receivable and contract assets. In the simplified model, a loss reserve is recognised, for the expected remaining life of the receivable or asset.

For other items covered by expected credit losses, a three-stage impairment model is applied. Initially, and on every balance-sheet date, a loss reserve is recognised for the next 12 months, or alternately for a shorter period of time depending on the remaining life (stage 1). If there has been a significant increase in credit risk since initial recognition, a loss reserve is recognised for the remaining life of the asset (stage 2). For assets deemed to be credit impaired, provisions for expected credit losses continue to be made for the remaining life (stage 3). For credit-impaired assets and receivables, the calculation of interest income is based on the carrying amount of the asset, net of loss reserve, as opposed to the gross amount as in previous stages. The financial assets are recognised at amortised cost in the balance sheet, i.e. net of gross value and loss reserve. Changes in the loss reserve are recognised in the income statement.

Inventories
Inventories are recognised at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Inventories consist of finished goods and components (Note 15). Cost is comprised of purchase price from suppliers plus costs for customs and freight. Net realisable value is the estimated selling price in the operating activities, less applicable selling expenses.

Cash and cash equivalents
Cash and cash equivalents are defined as cash on hand, bank deposits, short-term investments that are exposed to an insignificant risk of value fluctuations and with a term of less than 3 months. Utilised cheque facilities are recognised in the statement of financial position as short-term liabilities.

Assets held for sale
Under IFRS 5, assets held for sale are reported separately in the statement of financial position and measured as the carrying amount or net realisable value, whichever is lower. One condition that must be met for an asset to be classified as held for sale is that the sale is highly probable and that the assets (disposal group) are available for sale in their present condition.

Share capital and other equity
Ordinary shares are classified as equity. Transaction costs that are directly attributable to the issue of new shares are recognised, net of tax, in equity as a deduction from the issue proceeds.

Accounts payable and other liabilities
Accounts payable are obligations to pay for goods and services purchased from suppliers as part of the operating activities. The amounts are unhedged and usually paid within 30 days.

Accounts payable and other liabilities are classified as short-term liabilities if they are due within one year. Otherwise they are recognised as long-term liabilities. Accounts payable and other liabilities are measured at amortised cost.

Income tax
Income tax is comprised of current and deferred tax. Income tax is recognised in net profit for the year, except when the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is also recognised in other comprehensive income or in equity. The current tax expense is calculated on the basis of the tax rules enacted or substantively enacted at the balance-sheet date in the countries in which the Parent Company and its subsidiaries operate and generate taxable income.

Deferred tax is recognised, in accordance with the balance-sheet method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Temporary differences are not taken into account in the recognition of goodwill or in the initial recognition of the acquisition of an asset because the acquisition does not affect either recognised or taxable profit. Deferred income tax is calculated using tax rates enacted or announced on the balance-sheet date and that are expected to apply in the jurisdiction in which the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are set off if there is a legal right to set off short-term tax assets against short-term tax liabilities and the deferred tax is attributable to the same Group entity and the same taxation authority.

Borrowing
Borrowing is initially recognised at fair value, net of transaction costs. Borrowing is subsequently measured at amortised cost and any difference between the amount received (net of transaction costs) and the repayment amount is recognised in the income statement over the period of the borrowing, using the effective interest method.

Financial items

Interest income and similar income

Interest income is recognised under the effective interest method. The effective interest rate discounts estimated future receipts and disbursements through the expected life of a financial instrument to the net carrying amount of the financial asset or liability. The calculation also encompasses all fees paid or received by the contracting parties that are part of the effective interest rate, transaction costs and all other share premiums and discounts. Interest income is recognised in the period to which it pertains.

Interest expenses and similar expenses

Interest expenses are recognised under the effective interest method. Interest expenses are recognised in the period to which they pertain.

Remuneration of employees

Short-term remuneration

Short-term employee remuneration such as salaries, social security contributions and holiday pay are expensed in the period in which the employees perform the services.

Retirement benefit obligations

The CTEK Group's main pension plan is the ITP plan, which is secured through contributions to Alecta. The plan is recognised as a defined-contribution plan in accordance with IFRS.

A defined-contribution plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligation to pay additional contributions if this legal entity does not have sufficient assets to pay all employee benefits related to the employees' service in the current or prior periods. The Group thus has no additional risk. The Group's obligations pertaining to fees for defined contribution plans are recognised as an expense in the income statement at the rate they are vested as the employees perform services for the Group during the period.

Pension insurance with Alecta

Obligations for old-age and family pensions for salaried employees in Sweden are secured through insurance with Alecta.

Under the International Financial Reporting Standard (IFRS), a company must report employee remuneration according to IAS 19. Premium-paid ITP 2 in Alecta cannot be reported according to IFRS/IAS 19. This means that companies that pay premiums for defined benefit ITP 2 Old-age pension and/or Family pension, must report the costs as defined contribution. This is according to the Swedish Financial Reporting Board. The reason that it is not possible to recognise the contributions under IFRS/IAS19 is that for most of the accrued pension benefits, Alecta does not have information about the specification of benefits earned between employers. Instead, the entire amount vested is registered with the final employer. Accordingly, it is not possible for Alecta to provide an exact specification of assets and provisions for each employer. Furthermore, there are, in all respects, no established regulations on how any surplus or deficits arising is to be handled.

Warrants

The Parent Company and the underlying holding companies have issued warrants, see Note 6. The warrants were issued on market-based terms, which means that the participants did not receive any benefit. The market value on allotment was calculated using the Black - Scholes valuation formula. When the warrants are potentially exercised in the future, the Parent Company will receive proceeds equal to the exercise price, at which point new shares will be issued and the exercise proceeds will be recognised as an increase in equity.

Provisions

Provisions are recognised in the balance sheet when the Group has, or can be considered to have, an obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be measured reliably. If the Group expects to receive a settlement equivalent to a provision made, for example under an insurance contract, the settlement is recognised as an asset in the balance sheet when it is virtually certain that the settlement will be received. When the effect of the time value of the future payment is deemed to be material, the value of the provision is determined by calculating the estimated future payment using a pre-tax discount factor that reflects the current market assessment of the time value and any risks associated with the obligation. The gradual increase in the amount of the provision resulting from the present value calculation is recognised as an interest expense in the income statement.

Guarantee commitments

CTEK provides insurance-based warranties where the warranty is a product guarantee of quality. These types of guarantees are recognised in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets. CTEK's commitment to repair or replace defective products in accordance with normal guarantee rules is recognised as a provision.

Guarantee costs are charged to cost of goods sold. The provision for guarantee costs is calculated on a flat-rate basis at an amount equal to the average cost of guarantee costs in relation to sales over the last 12-month period, adjusted by the amount by which known warranty claims exceed the flat-rate provision. The provision for guarantee obligations is related to the guarantee period given.

Leases

When a contract is signed, the Group determines whether contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

The Group as lessee

Right-of-use assets

The Group recognises right-of-use assets in the statement of financial position on the effective date of the lease (i.e. the date on which the underlying asset becomes available for use). Right-of-use assets are valued at cost less accumulated depreciation and any impairment, and adjusted for revaluations of the lease liability. The cost of a right-of-use asset includes the initial value recognised for the related lease liability, initial direct expenses, and any upfront payments made on or before the lease effective date, net of any incentives received. Provided that the Group is not reasonably certain that ownership of the underlying asset will pass at the end of the lease term, the right-of-use asset is depreciated on a straight-line basis over the lease term.

Lease liabilities

At the effective date of a lease, the Group recognises a lease liability equal to the present value of the lease payments to be made during the lease term. The lease term is determined as the non-cancellable period along with periods for extending or terminating the lease if the Group is reasonably certain that it will exercise these options. The lease payments include fixed payments (less any benefits received in conjunction with signing the lease), variable lease payments that depend on an index or a rate (e.g. a reference interest rate) and amounts expected to be paid under residual value guarantees. Additionally, the lease payments include the exercise price for an option to purchase the underlying asset, or penalties payable upon termination under a termination option, if it is reasonably certain that such options will be exercised by the Group. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the related period.

For the calculation of the present value of the lease payments, the Group uses the implicit interest rate in the contract if it is readily determinable, otherwise the incremental borrowing rate as of the effective date of the lease. After the effective date of a lease, the lease liability increases to reflect the interest rate on the lease liability and decreases with lease payments made. Additionally, the value of the lease liability is remeasured as a result of modifications, changes to the lease term, changes in lease payments or changes in an assessment of whether to purchase the underlying asset.

Application of practical expedients

The Group applied the practical expedients for short-term leases and low-value leases. Short-term leases are defined as leases with an initial lease term of no more than 12 months, taking into account any options to extend the lease. The Group's low-value leases are comprised of office furniture. Lease payments for short-term leases and low-value leases are expensed straight line over the lease term.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from events that have occurred and the occurrence of which is confirmed only by one or more uncertain future events or when there is an obligation that is not recognised as a liability or provision because it is not likely that an outflow of resources will be required to settle it. From time to time, the Group is subject to litigation and legal claims arising from operating activities. If any such claim exists, it has been disclosed in Note 3.

Disclosures regarding related parties

Investmentaktiebolaget Latour is the largest shareholder in the Group, followed by Fjärde AP-fonden. Other related parties are all subsidiaries and executive management in the Group, i.e. the board and company management, as well as members of their families. Other companies controlled by Investmentaktiebolaget Latour are also parties related to the CTEK Group. Disclosures are provided about transactions that result in the transfer of resources, services or obligations between related parties, regardless of whether a price is charged. The disclosure also includes an explanation of the nature of the related party relationship and information about the effect of the relationship on the financial statements.

Events after the balance-sheet date

If events occur that are material but are not to be taken into account in determining the amounts in the statement of comprehensive income and the statement of financial position, disclosures of the nature of the event and, if possible, an estimate of the financial effect will be made in Note 31. Materiality is defined as the omission of information that could influence the economic decisions that users make on the basis of the financial statements.

Significant events confirming conditions that existed on date of the balance sheet and that occur after the date of the balance sheet but before the approval of the financial statements result in the amounts in the financial statements being adjusted.

Cash flow statement

The cash flow statement was prepared using the indirect method. This means that the operating result is adjusted for transactions which have not resulted in inflows or outflows during the period, and for any income or expenses attributable to cash flows from investing or financing activities.

NOTE 2 FINANCIAL RISK MANAGEMENT

Financial risk factors

Through its operations, the Group is exposed to various financial risks: market risk (including currency risk and interest-rate risk), credit risk och liquidity risk. The Group's overall strategy focuses on reducing potential unfavourable effects on the Group's financial performance. The Group may use derivative instruments to reduce certain risk exposures.

Under the established financial policy, the CEO is responsible for compliance with the policy and the CFO is responsible for reporting to the Board on a quarterly basis.

a) Market risk
(i) Currency risk

Transaction risk

Transaction risk is the risk that consolidated net profit and cash will be affected by changes in the value of the commercial flows in foreign currencies due to changes in exchange rates. The Group conducts sales outside Sweden, primarily in EUR and USD. This means that the Group is continuously exposed to transaction risk. Under the Company's financial policy, up to 50 percent of the expected net flow in USD and EUR within 1-12 months and 25 percent of the expected net flow in USD and EUR within 13-24 months can be hedged using currency forward contracts in EUR/USD and EUR/SEK. The Group had the following balance-sheet exposure in EUR and USD on 31 December 2022 and 31 December 2022.

The balance-sheet exposure for accounts receivable and other receivables in SEK is as follows:

SEK million	2022-12-31	2021-12-31
USD	27.8	45.2
EUR	61.1	82.6
Other currencies	11.0	13.4
Total	**99.9**	**141.2**

The balance-sheet exposure for accounts payable and other liabilities in SEK is as follows:

SEK million	2022-12-31	2021-12-31
USD	37.8	71.4
EUR	10.1	6.2
Other currencies	2.9	1.9
Total	**50.8**	**79.5**

Sensitivity analysis - transaction risk

If the Swedish krona had weakened/strengthened by 5 percent against the euro, with all other variables remaining constant, profit before tax as of 31 December 2022 would have been SEK 2.5 million (SEK 3.8 million in 2021) lower/higher as a result of gains/losses on translation of accounts receivable, accounts payable and loans in EUR.

If the Swedish krona had weakened/strengthened by 5 percent against the US dollar, with all other variables remaining constant, profit before tax as of 31 December 2021 would have been SEK 0.5 million (SEK 1.3 million in 2021) lower/higher as a result of gains/losses on translation of accounts receivable and accounts payable in USD.

The above calculations do not take into account the Group's hedging effects through currency derivatives. See note 17 for hedged amounts and fair value.

Translation risk

The Group has a risk when the net assets of foreign subsidiaries are translated to the presentation currency, Swedish kronor (SEK). Foreign subsidiaries are located in the US (USD), France (EUR), Germany (EUR), Australia (AUD), Hong Kong (HKD), China (CNY), Denmark (DKK), Norway (NOK) and the UK (GBP).

The Group's other comprehensive income is impacted by the translation of foreign subsidiaries' income statements to SEK. Translation risk is not hedged.

Sensitivity analysis - income statement

The Group has analysed its sensitivity to fluctuations in EUR and USD exchange rates.

In 2022, income was recognised in EUR at an average rate of SEK 10.6, compared with SEK 10.1 in 2021. In 2022, income was recognised in USD at an average rate of SEK 10.1, compared with SEK 8.6 in 2021. If exchange rates were unchanged, sales would have decreased by approximately 3% compared to 2021.

If the Swedish krona had weakened/strengthened by 5 percent against the EUR, with all other variables remaining constant, the sales for the year would have been SEK 21.9 million (SEK 23.8 million in 2021) higher/lower. If the Swedish krona had weakened/strengthened by 5 percent against the EUR, with all other variables remaining constant, the total impact of the effects of the translation risk and transaction risk on net profit would have been SEK 17.9 million (SEK 21.0 million in 2021) lower/higher.

If the Swedish krona had weakened/strengthened by 5 percent against the USD, with all other variables remaining constant, the sales for the year would have been SEK 11.9 million (SEK 8.5 million in 2021) higher/lower. If the Swedish krona had weakened/strengthened by 5 percent against the USD, with all other variables remaining constant, the total impact of the effects of the translation risk and transaction risk on net profit would have been SEK 17.6 million (SEK 15.6 million in 2021) lower/higher.

(ii) Interest-rate risk

The Group has interest-bearing financial assets and liabilities, in which the changes linked to market interest rates impact earnings and cash flow from operating activities. Interest-bearing borrowing primarily consists a long-term bank loan carrying interest at a variable rate.

Interest-rate risk refers to the risk that changes in the general interest rates will negatively impact consolidated net profit. The Group's interest-rate risk arises through its long-term borrowing. Borrowing raised at variable interest rates exposes the Group to interest-rate risk in respect of cash flow, which is partly neutralised by cash assets subject to variable interest rates. In 2021-2022, the Group's borrowing was at a variable rate of interest in SEK.

The Group has the ability to manage the interest-rate risk associated with cash flow by using interest-rate swaps the financial implication of which is that borrowing is converted from variable to fixed interest for a certain part of the borrowing. The Group takes out long-term loans at a variable interest rate and can convert these loans through interest-rate swaps to fixed interest rates, which are lower than if the borrowing was raised directly at fixed interest.

The Group has analysed its sensitivity to changes in interest rates. The analysis performed shows that the effect of a change of 0.1 percentage points on net financial items would be an increase/decrease of SEK 0.6 million (SEK 0.7 million in 2021). The sensitivity analysis presupposes that all other factors, such as exchange rates, remain unchanged.

b) Credit risk

Credit risk, or counterparty risk, is the risk that a counterparty in a financial transaction is unable to meet its obligations on the due date. Credit risk is managed at Group level and arises on bank balances and accounts receivable. The Group only accepts large, established banks and financial institutions.

The Group's credit checks related to credit risk of outstanding accounts receivable means that no credit is granted before a credit credit is performed. The current and historical payment situation of repeat customers is also analysed. In cases where the credit information or payment situation reveals shortcomings, the Group offers delivery after receiving payment in advance. See Note 18 for information on age distribution and reserves for unsecured receivables.

c) Liquidity risk

Liquidity risk is the risk that the Group will have insufficient cash and cash equivalents to meet its financial debt obligations. Liquidity risk is carefully managed and the Group always seeks to ensure that it has sufficient cash and cash equivalents. At of 31 December 2022, the Group has liquidity of SEK 10.0 million (SEK 53.5 million in 2021), which comprised bank balances. In addition, the Group has a credit facility of SEK 200 million (SEK 100 million as of 2021), of which SEK 180.6 million (SEK 58.0 million as of 2021) has been utilised at year-end.

CTEK's Board of Directors has decided on a guaranteed preferential rights issue of 350 MSEK. The preferential rights issue was approved at an Extraordinary General Meeting on 3 March 2023.

NOTE 3 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The Group's estimates and judgements are reviewed periodically and are based on historical experience and other factors, including expectations of future events that are considered reasonable under the circumstances.

Significant accounting estimates and judgements

The preparation of financial statements requires the board of directors and Group management to make estimates and make use of certain assumptions. Estimates and assumptions affect both the income statement and balance sheet as well as the disclosures provided, such as contingent liabilities. Areas that involve a significant element of estimates and assumptions are:

Impairment testing of intangible assets that have not been amortised

Under IAS 36, a cash-generating unit (CGU) is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of a cash-generating unit is determined based on calculations of value in use. These calculations are based on estimated future cash flows before tax, based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated growth rate.

Every year, the Group tests assets with indefinite useful lives for impairment. Such testing requires an assessment of the parameters that impact future cash and determining a discount rate. The recoverable amount of each individual cash-generating units is then determined by calculating the value in use. Note 13 presents the significant assumptions made when testing these assets and a description of the effect of plausible, possible changes in these assumptions that form the basis of the calculations. At the end of 2021, the Group recognised goodwill of SEK 455.8 million (SEK 455.8 million in 2021) and trademarks of SEK 259.5 million (SEK 259.5 million in 2021).

Deferred development costs

To determine whether an intangible asset arising through development should be recognised as an asset, assessments must be made regarding the extent to which certain established criteria are met. As regards capitalised development costs, management deems these to be technically and economically feasible. At the end of 2022, the Group recognised intangible assets for capitalised development expenditure at an amount of SEK 199.3 million (SEK 116.9 million in 2021). These assets are amortised based on their definite useful lives. When determining useful lives, management makes assumptions and assessments about the length of time that each asset will generate economic benefits for the Group.

Assessment of useful lives

Amortisation of intangible assets is based on their definite useful lives. When determining useful lives, management makes assumptions and assessments about the length of time that each asset will generate economic benefits for the Group. The Company's intangible assets with definite useful lives amounted to SEK 381.5 million per 31 December 2022 (SEK 326.9 million as of 31 December 2021).

Provisions and contingent liabilities attributable to legal claims

There are currently no material legal claims against the Group.

NOTE 4 DISTRIBUTION OF NET SALES AND SEGMENT ACCOUNTING

Sales of premium battery chargers and sales of electric vehicle chargers and accessories are recognised at a point in time when control of the goods has passed to the customer, which is upon delivery, and takes into account freight terms and conditions. Invoicing normally takes place in connection with sale with credit period terms 30-40 days.

Revenue was SEK 950.1 million (SEK 921.8 million in 2021), of which SEK 133.5 million (SEK 142.7 million in 2021) is from a single customer in the Aftermarket segment.

Net sales by geography

SEK million	2022-12-31	2021-12-31
Sweden	198.0	200.8
Nordics	62.9	59.9
DACH	241.8	253.6
Americas	111.2	54.4
Rest of Europe	185.0	216.1
Other	151.3	137.0
Total income from contracts with customers	**950.1**	**921.8**

SEK million	2022-12-31	2021-12-31
Sales per segment		
Aftermarket	566.4	643.9
Original Equipment	178.7	103.2
Energy & Facilities	180.2	148.3
Key functions	24.8	26.5
Net sales, Group	**950.1**	**921.8**
EBITDA per segment		
Aftermarket	195.9	247.4
Original Equipment	30.9	19.9
Energy & Facilities	-32.5	-23.9
Key functions	-86.1	-93.1
EBITDA, Group	**108.2**	**150.3**
Items affecting comparability	14.9	40.4
Adjusted EBITDA, Group	**123.1**	**190.7**
Depreciation/amortisation, non-M&A related fixed assets	-43.9	-40.0
Adjusted EBITA, Group	**79.2**	**150.7**
Items affecting comparability	-14.9	-40.4
EBITA, Group	**64.3**	**110.3**
Depreciation/amortisation, M&A driven fixed assets	-28.1	-28.5
EBIT, Group	**36.2**	**81.8**

For information regarding alternative performance measures, see Definitions on page 96.

NOTE 4 Distribution of net sales (continued)

Net sales are specified by significant type of income as follows

Revenue from contracts with customers as of 31 December 2022 SEK million	Aftermarket	Original Equipment	Energy & Facilities	Group-wide items and eliminations	Total
Group					
Sale of premium battery chargers	550.8	137.6	-	-	688.4
Sale of electric vehicle chargers and accessories	15.7	41.1	180.2	-	237.0
Other income	-	-	-	24.8	24.8
Total	**566.4**	**178.7**	**180.2**	**24.8**	**950.1**

Revenue from contracts with customers, 12 December 2021 SEK million	Aftermarket	Original Equipment	Energy & Facilities	Group-wide items and eliminations	Total
Group					
Sale of premium battery chargers	629.1	103.0	-	-	732.1
Sale of electric vehicle chargers and accessories	14.8	0.1	148.3	-	163.2
Other income	-	-	-	26.5	26.5
Total	**643.9**	**103.2**	**148.3**	**26.5**	**921.8**

SEK million	2022-12-31	2021-12-31
Contract balances		
Accounts receivable	194.4	188.6
Accrued income	0.0	1.3
Contract assets	0.0	0.1
Total	**194.4**	**190.0**

NOTE 5 AUDITOR'S FEES

An audit assignment refers to the statutory audit of the annual accounts and financial statements and the management by the Board of Directors and the Chief Executive Officer, other tasks to be performed by the company's auditor and advice or other assistance resulting from the findings of such auditing or the performance of such other tasks. Tax advisory services include general consultation on tax matters and tax advice in connection with transfer pricing. Other services are consultancy services that do not fall into any of the above categories. In 2022, Other services refers to work primarily related to the completed equity issue and cybersecurity.

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Ernst & Young		
Audit assignment	4.4	3.5
Tax advisory services	0.1	3.5
Other services	1.2	3.8
Total	**5.7**	**10.8**

NOTE 6 REMUNERATION OF EMPLOYEES ETC.

Salaries and other remuneration of CTEK's Board of Directors, CEO and Group management

The principles governing the remuneration of the Board of Directors and Group management are approved by the shareholders at the Annual General Meeting. The principles that were approved by the 2021 Annual General Meeting are described below.

Guidelines for remuneration of the CEO and corporate management

The guidelines apply to new contractual remuneration, and modifications of already contracted remuneration, after the guidelines were adopted by the 2021 Annual General Meeting. The guidelines do not apply to remuneration decided by the Annual General Meeting.

The successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, depend on the company's ability to recruit, incentivise and retain qualified employees. This requires the company to offer competitive remuneration. These guidelines enable executive management to be offered a competitive total remuneration package.

Variable cash remuneration included in these guidelines should be aimed at promoting the company's business strategy and long-term interests, including its sustainability.

Forms of remuneration

Remuneration shall be in line with market conditions and may consist of the following components:

- Fixed cash wage
- Variable cash remuneration
- Pensions and other benefits

Additionally, and independently of these guidelines, the Annual General Meeting may decide, for instance, on share and share-price related remuneration.

Compliance with the criteria for the payment of variable cash remuneration must be measurable over a period of one year. The variable cash remuneration may not exceed 80 per cent of the total fixed cash remuneration during the measurement period for such criteria.

For the CEO, pension benefits, including health insurance, shall be defined contribution. Variable cash remuneration must not be pensionable. Pension premiums for defined contribution pensions shall not exceed 30 percent of the fixed annual cash salary.

For other executive management, pension benefits, including health insurance, shall be defined contribution unless the executive is covered by a defined benefit pension under the terms of mandatory collective bargaining agreements. The variable cash remuneration shall be pensionable to the extent that this is provided for under the terms of any mandatory collective bargaining agreements that are applicable to the executive. Pension premiums for defined contribution pensions must accord with mandatory collective bargaining agreements.

Other benefits may include, but are not limited to, medical insurance and car benefits as per company guidelines.

For employment relationships subject to non-Swedish regulations, such as pension benefits and other benefits, appropriate adjustments may be made to comply with such mandatory rules or established local practice, in which case the overall purpose of these guidelines shall be met as far as possible.

Termination of employment

In the event of termination on the part of the Company, the notice period must not exceed nine (9) months. Fixed cash remuneration during the notice period and severance pay may not in total exceed an amount equal to the fixed cash remuneration for 18 months for the CEO and 12 months for other executive management. The cash salary shall be paid monthly during the period of notice.

In the event of termination on the part of the executive, the notice period may not exceed nine (9) months, without entitlement to severance pay. Additional remuneration may be paid for a non-compete commitment, where applicable. Such remuneration shall compensate for any loss of income and shall be paid only to the extent that the former executive is not entitled to severance pay. The remuneration shall not exceed 60 per cent of the monthly income at the time of termination and shall be paid for the duration of the non-competition obligation, which shall not exceed six (6) months following the termination of employment.

Criteria for the distribution of variable cash remuneration

The variable cash remuneration shall be linked to predetermined and measurable criteria, whether financial or non-financial. They may also be personalised quantitative or qualitative targets. The criteria must be designed to promote the company's business strategy and long-term interests, including its sustainability, by, for instance, establishing a clear link to the business strategy or promoting the executive's long-term development.

Upon completion of the measurement period for compliance with the criteria for the payment of variable cash remuneration, the extent to which the criteria are met must be assessed/determined. The Remuneration Committee is responsible for assessing the CEO's variable cash remuneration. With regard to other executives' variable cash remuneration, the CEO is responsible for such assessments. For financial targets, the assessment shall be based on the latest financial information published by the company.

Salary and terms of employment

In preparing the Board's proposed Remuneration Guidelines, the remuneration and employment terms of the Company's employees have been taken into account by providing information on the total remuneration of employees, the components of remuneration and the rate and increase of remuneration over time as part of the decision-making process of the Remuneration Committee and the Board in evaluating the reasonableness of the Guidelines and the resulting limitations.

The decision-making process for establishing, reviewing and implementing the guidelines

The Board has established a Remuneration Committee. The Committee's tasks include preparing the Board's decision on proposed guidelines for the remuneration of executive management. The Board shall draw up proposals for new guidelines at least every four years and submit them to the Annual General Meeting for approval. The guidelines shall remain in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate variable remuneration programmes for senior management, the application of the guidelines for remuneration of executive management and the current remuneration structures and levels in the Company. The members of the remuneration committee are independent of the Company and its management. Insofar as the Chief Executive Officer or other members of senior management are impacted by a remuneration related matter, they will not be present when the board of directors discusses and decides on such a matter.

Deviations from the guidelines

The Board of Directors may resolve to deviate temporarily from the guidelines, in whole or in part, if there are specific reasons for doing so in an individual case and where a deviation is necessary to meet the long-term interests of the Company, including its sustainability, or to ensure the Company's financial viability. As stated above, the Remuneration Committee is responsible for preparing the Board's decisions on matters relating to remuneration, including decisions on deviations from the guidelines.

NOTE 6 Remuneration of employees (continued)

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Salaries and other remuneration	149.7	126.5
Social security contributions	39.2	33.6
Pension costs - defined-contribution plans	15.3	14.1
Total	**204.2**	**174.2**

In addition to the above-mentioned remuneration, social security contributions and pension costs, the Group's personnel costs reported in the income statement also include other personnel-related costs totalling SEK 14.4 million (SEK 12.4 million in 2021). Personnel costs in the consolidated income statement are also reduced net of internally generated fixed assets by SEK 31.2 million in 2022 (SEK 18.8 million in 2021). In addition, salary costs have been reported under items affecting comparability as they relate to the reorganisation of a total of SEK 7.7 million in 2022 (SEK 2.4 million in 2021 related to the listing process).

Salaries, other benefits and social security expenses, 1 Jan 2022–31 Dec 2022

SEK million	Salaries and other remuneration	Social security expenses	Pension costs	Total
Board members, executive management and CEO	15.7	4.2	3.1	23.0
(of which variable remuneration)	(0.8)			(0.8)
Other employees	134.0	35.0	12.2	181.2
(of which variable remuneration)	(1.1)			(1.1)
Total	**149.7**	**39.2**	**15.3**	**204.2**

Salaries, other benefits and social security expenses, 1 Jan 2021–31 Dec 2021

SEK million	Salaries and other remuneration	Social security expenses	Pension costs	Total
Board members, executive management and CEO	21.2	6.3	3.5	31.0
(of which variable remuneration)	(7.0)			(7.0)
Other employees	105.3	27.2	10.7	143.2
(of which variable remuneration)	(6.3)			(6.3)
Total	**126.5**	**33.6**	**14.1**	**174.2**

	2022-01-01-2022-12-31		2021-01-01-2021-12-31	
Average no. of employees, Group:	Average no. of employees	Of whom, men	Average no. of employees	Of whom, men
Sweden	147	115	117	89
Rest of Europe	34	28	26	22
USA	4	2	3	1
Asia	34	21	30	18
Total	**219**	**166**	**176**	**130**

	2022-01-01-2022-12-31			2021-01-01-2021-12-31		
No. on balance-sheet date	Number	Of whom, men	Of whom, women	Number	Of whom, men	Of whom, women
Members of the board	9	7	2	9	7	2
CEO	1	1	0	1	1	0
Total	**10**	**8**	**2**	**10**	**8**	**2**

NOTE 6 Remuneration of employees (continued)

Remuneration of board of directors, CEO and executive management

SEK million	Base salary/ board fees/ committee compensation	Variable remuneration	Other benefits**)	Pension costs	Total
2022					
Hans Stråberg	0.9	-	-	-	0.9
Ola Carlsson	0.3	-	-	-	0.3
Michael Forsmark	0.3	-	-	-	0.3
Stefan Linder	0.3	-	-	-	0.3
Jessica Sandström	0.3	-	-	-	0.3
Pernilla Valfridsson	0.4	-	-	-	0.4
Björn Lenander	0.3	-	-	-	0.3
Jon Lind, CEO	3.3	0.1	0.1	1.0	4.4
Other executive managers*	8.9	0.7	0.9	2.1	12.6
Total	**14.9**	**0.8**	**1.0**	**3.1**	**19.8**
2021					
Hans Stråberg	0.9	-	-	-	0.9
Ola Carlsson	0.3	-	-	-	0.3
Michael Forsmark	0.3	-	-	-	0.3
Stefan Linder	0.1	-	-	-	0.1
Andreas Källström***	0.1	-	-	-	0.1
Jessica Sandström	0.3	-	-	-	0.3
Pernilla Valfridsson	0.4	-	-	-	0.4
Björn Lenander	0.0	-	-	-	0.0
Jon Lind, CEO	3.1	2.7	0.2	0.9	6.9
Other executive managers*	8.9	4.4	0.9	2.6	16.7
Total	**14.2**	**7.0**	**1.1**	**3.5**	**25.8**

*) Other executive managers is comprised of 7 persons in 2022 and 6 in 2021.
**) Other benefits refer to car benefits and health insurance.
***) Through 7 December 2021

Long-term incentive programme (LTIP 2025)
On 12 May 2022, following a proposal by the Board of Directors, the Annual General Meeting approved a long-term incentive programme for the Company's executive management. LTIP 2025 comprises a maximum of 100,000 warrants with a vesting period of three years. Each warrant entitles the holder to subscribe for one share in the company. 84,285 warrants out of a total of 100,000 have been subscribed by seven executive managers of CTEK as follows: The CEO has received 24,000 warrants through an investment of SEK 260,160 and five executive managers have received 10,857 warrants each through an investment of SEK 93,261 each. One executive manager received 6,000 warrants through an investment of SEK 51,540. The warrants were subscribed by one of the company's subsidiaries and transferred under the LTIP 2025 to executive managers, on market terms at a price of SEK 8.59 per option determined on the basis of an estimated market value using the Black & Scholes valuation model.

Upon exercise of all 84,285 warrants in LTIP 2025, a maximum dilution equal to 0.17 percent may occur.

Long-term incentive programme (LTIP 2024)
On 23 September 2021, following a proposal by the Board of Directors, the Annual General Meeting approved a long-term incentive programme for the Company's executive management. LTIP 2024 comprises a maximum of 262,930 warrants with a vesting period of three years. Each warrant entitles the holder to subscribe for one share in the company. 196,551 warrants out of a total of 262,930 have been subscribed by five individuals in two categories as executive manager of CTEK as follows: The CEO has received 105,172 warrants through an investment of SEK 1 million and two executive managers have received 26,293 warrants each through an investment of SEK 0.25 million each. After 30 September 2021, the remaining two executive managers have received 26,293 and 12,500 warrants each through an investment of SEK 0.25 million and SEK 0.12 million each. The warrants were subscribed by one of the company's subsidiaries and transferred under the LTIP 2024 to executive managers, on market terms at a price of SEK 9.51 per option determined on the basis of an estimated market value using the Black & Scholes valuation model.

Long-term incentive programme (LTIP 2026)
On 23 September 2021, following a shareholder proposal, the Annual General Meeting approved a long-term incentive programme for the Company's board of directors. LTIP 2026 comprises a maximum of 198,257 warrants with a vesting period of five years. Each warrant entitles the holder to subscribe for one share in the company. In September 2021, 198,257 warrants were subscribed by five members of the Board of Directors of CTEK as follows: Chairman of the Board received 99,129 warrants through an investment of SEK 1 million, the remaining four individuals received 24,782 warrants each through an investment of SEK 0.25 million each. The warrants were subscribed by one of the company's subsidiaries and transferred under the LTIP 2026 to the Board of Directors, on market terms, at a price of SEK 10.09 per warrant based on an estimated market value, using the Black & Scholes valuation model.

NOTE 6 Remuneration of employees (continued)

Previous stock option programmes and equity issues

The number of shares and votes in CTEK AB (publ) changed as a result of new shares being issued in the equity issue decided by the Annual General Meeting on 12 May 2022. Through the equity issue, the number of outstanding shares and votes increased by 690,118 from 49,292,936 to 49,983,054. The share capital increased by SEK 690,118 from SEK 49,292,936 to SEK 49,983,054. The holders included former principal shareholders, board members and executive managers.

Outstanding warrants to board members and executive managers

Holders	2022-12-31	2021-12-31
Hans Stråberg	99,129	212,765
Ola Carlsson	24,782	62,660
Michael Forsmark	24,782	67,335
Jessica Sandström	24,782	24,782
Pernilla Valfridsson	24,782	24,782
Jon Lind, CEO	129,172	197,702
Other executive managers	151,664	104,377
Total	**479,093**	**694,403**

Of the 694,403 warrants outstanding to directors and executive managers as of 31 December 2021, 394,808 related to warrants issued by the Extraordinary General Meeting in September 2021 and 299,595 related to Series 3 warrants issued by the Annual General Meeting in 2012.

Maturity structure and option terms for outstanding warrants

	2022-01-01-2022-12-31		2021-01-01-2021-12-31		2022-12-31	2021-12-31
Maturity date	Option price	Exercise price	Option price	Exercise price	Number of warrants	Number of warrants
2021-12-31			1.3	11.09	-	690,149
2025-03-31	9.51	82.8	9.51	82.8	196,551	196,551
2027-03-31	10.09	96.6	10.09	96.6	198,257	198,257
2025-08-30	8.59	101.4			84,285	-
Total					**479,093**	**1,084,957**

The above table shows the company's total number of warrants issued to the Board of Directors, executive managers and also former executives and other employees of the company. All options give the right to subscribe for one (1) share per option. The option prices and exercise prices shown are weighted averages at the balance-sheet date for each active programme by maturity date. All warrants have been acquired at market value by the option holders based on a calculation according to the Black - Scholes valuation formula and there is no benefit to the holders. The warrants expire according to agreed terms.

Pension insurance with Alecta

Obligations for old-age and family pensions for salaried employees in Sweden are secured through insurance with Alecta. According to an opinion by the Swedish Financial Reporting Council, UFR 3, this is a defined benefit multi-employer plan. For the 2021-2022 financial year, the Group did not have access to information that would enable it to recognise this plan as a defined-benefit plan. The ITP pension plan that is secured through insurance with Alecta is therefore recognised as a defined-contribution plan. The contributions for the year for pension insurance taken out with Alecta was SEK 3.2 million for the 2022 financial year (SEK 4.8 million for 2021).

Alecta's surplus can be distributed to policy holders and/or the insured. At the close of 2022, Alecta's surplus in the form of the collective funding ratio was 172 percent (172 percent in 2021). The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial calculation assumptions, which do not comply with IAS 19.

For Alecta accounting policies, see the additional information in Note 1, under Pension obligations.

The Company's share of total ITP 2 savings premiums with Alecta is 0.01 percent (0.02 in 2021). The Company's share of the total number of active ITP 2 policyholders is 0.01 percent for the year (0.01 in 2021).

The Company's forecast for ITP2 premiums for 2023 is: SEK 4.1 million.

NOTE 7 OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Other operating income		
Exchange rate gains	3.8	4.1
Other income	2.9	0.7
Total	**6.8**	**4.8**
Other operating expenses		
Exchange-rate losses	-2.1	-0.9
Other operating expenses	-	-0.6
Total	**-2.1**	**-1.5**

NOTE 8 ITEMS AFFECTING COMPARABILITY

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Expenses related to reorganisation	-10.0	-
Expenses related to supply chain restructuring	-4.9	-
External expenses related to the listing process	-	-40.4
Total	**-14.9**	**-40.4**

NOTE 9 FINANCIAL INCOME AND EXPENSES

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Financial income:		
Interest income on bank balances	0.8	-
Other financial income	0.0	0.1
Exchange rate gains	8.1	6.5
Total	**8.9**	**6.6**
Financial expenses:		
Interest expenses on borrowing	-19.7	-44.3
Interest expenses, leases	-0.7	-0.7
Exchange-rate losses	-0.1	-9.9
Other financial expenses on borrowing	-3.3	-27.7
Total	**-23.7**	**-82.6**
Financial items – net	**-14.8**	**-76.0**

NOTE 10 INCOME TAX

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Current tax		
Current tax on net profit for the year	-4.1	-19.2
Current tax attributable to previous years	-0.6	-
Total	**-4.7**	**-19.2**
Deferred tax	-13.9	17.8
Total	**-13.9**	**17.8**
Total income tax	**-18.6**	**-1.4**

The income tax on consolidated profit differs from the theoretical amount that would have resulted from applying the weighted average tax rate to the profits of the consolidated companies as follows:

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Reconciliation of effective tax		
Profit before tax	21.3	5.8
Income tax according to applicable tax rate for parent company	-4.4	-1.2
Tax effects of:		
Effect of different tax rate in foreign companies	-0.6	0.0
-Non-deductible expenses	0.8	0.0
-Non-deductible expenses	-5.2	-9.4
-Other	0.4	-0.3
-Change in deferred tax related to deficits and similar items	-9.7	9.5
Tax recognised in net profit for the year	**-18.6**	**-1.4**
Effective tax rate	**-87.5%**	**-23.9%**

In the Group in 2022, loss carryforwards occurred that could not be recovered. For 2022, the Group has tax items recognised directly against equity.

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Deferred tax		
Deferred tax expense attributable to temporary differences	-28.2	-7.1
Deferred tax income on temporary differences, deficits and similar items	14.3	24.9
Total deferred tax in profit or loss	**-13.9**	**17.8**

The change in temporary differences for the year recognised in profit or loss refers to the following items.

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Change in deferred tax		
Opening carrying amount	-111.7	-120.0
Intangible assets	-14.2	6.3
Untaxed reserves	4.5	1.9
Derivatives	0.8	0.1
Total deferred tax liabilities - net	**-120.5**	**-111.7**

NOTE 10 Income tax (continued)

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Change in deferred tax liability		
Opening carrying amount	9.5	-
Carryforwards and similar items	-2.7	9.5
Total deferred tax assets - net	**6.8**	**9.5**

Deferred tax assets mainly relate to accrued loss carryforwards. Deferred tax liabilities mainly relate to the excess values identified in connection with previous acquisitions, see Notes 12 and 13, and are calculated at a tax rate of 20.6 percent.

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Deferred tax liabilities and assets		
Intangible assets	-119.5	-105.3
Untaxed reserves	-1.0	-5.5
Derivatives	-	-0.8
Other provisions	6.7	9.4
Total deferred tax liabilities and assets - net	**-113.7**	**-102.2**

NOTE 11 EARNINGS PER SHARE

Earnings per share were calculated as follows:

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Income for the year attributable for the parent company's owner (SEK million)	2.7	4.4
Used in calculating the earnings per share before dilution (SEK million)	**2.7**	**4.4**
Weighted average number of shares	49,730,011	44,227,712
Total number of ordinary shares	49,730,011	44,227,712
Weighted average number before dilution	**49,730,011**	**44,227,712**
Warrants	0	807,840
Weighted average number after dilution	**49,730,011**	**45,035,552**
Earnings per share before dilution, SEK	0.05	0.10
Earnings per share after dilution, SEK	0.05	0.10

NOTE 12 INTANGIBLE ASSETS WITH DEFINITE USEFUL LIVES

SEK million	Patents, licenses	Technology	Deferred development costs	Customer Relations	Total
2021 financial year					
Opening carrying amount	**7.7**	**105.5**	**89.7**	**126.1**	**329.1**
Accumulated amortisation					
At the beginning of the year	18.9	188.9	193.1	259.6	660.4
Investments for the year	-	-	51.9	-	51.9
Disposals	-2.0	-	-1.6	-	-3.6
Closing accumulated amortisation	**16.9**	**188.9**	**243.4**	**259.6**	**708.7**
Accumulated impairment					
Impairments at the beginning of the year	-10.8	-83.4	-102.5	-133.4	-330.1
Impairments	-1.1	-11.0	-23.6	-17.2	-52.9
Reversed impairments on disposals	2.0	-	0.5	-	2.5
Closing accumulated impairment	**-9.9**	**-94.4**	**-125.7**	**-150.6**	**-380.5**
Accumulated depreciation					
At the beginning of the year	-0.4	-	-0.8	-	-1.2
Closing accumulated depreciations	**-0.4**	**0.0**	**-0.8**	**-**	**-1.2**
Closing carrying amount as of 31 December 2021					
Acquisition cost	16.9	188.9	243.4	259.6	708.7
Accumulated impairment	-9.9	-94.4	-125.7	-150.6	-380.5
Accumulated depreciation	-0.4	-	-0.8	-	-1.2
Carrying amount	**6.6**	**94.5**	**116.9**	**108.9**	**326.9**
2022 financial year					
Opening carrying amount	**6.6**	**94.5**	**116.9**	**108.9**	**326.9**
Accumulated amortisation					
At the beginning of the year	16.9	188.9	243.4	259.6	708.7
Investments for the year	1.0	-	108.3	-	109.3
Disposals	-0.4	-	-0.6	-	-1.0
Closing accumulated amortisation	**17.4**	**188.9**	**351.1**	**259.6**	**817.0**
Accumulated impairment					
Impairments at the beginning of the year	-9.9	-94.4	-125.7	-150.6	-380.5
Impairments	-1.4	-10.9	-25.7	-16.5	-54.1
Reversed impairments on disposals	0.4	-	0.4	-	0.8
Closing accumulated impairment	**-10.8**	**-105.3**	**-151.0**	**-167.2**	**-434.2**
Accumulated depreciation					
At the beginning of the year	-0.4	-	-0.8	-	-1.2
Closing accumulated depreciations	**-0.4**	**-**	**-0.8**	**-**	**-1.2**
Closing carrying amount as of 31 December 2022					
Acquisition cost	17.4	188.9	351.1	259.6	817.0
Accumulated impairment	-10.8	-105.3	-151.0	-167.2	-434.2
Accumulated depreciation	-0.4	-	-0.8	-	-1.2
Carrying amount	**6.2**	**83.6**	**199.3**	**92.4**	**381.5**

Patents, licenses mainly refer to acquired patents and amounted to SEK 6.2 million as of 31 December 2022. Amortisation is scheduled over 20 years and the remaining amortisation period is 12 years.

Technology refers to technologies acquired through the acquisition of CTEK (2011) and Chargestorm (2018) and refers to technology for premium battery chargers and technology for electric vehicle charging and accessories and amounted to SEK 83.6 million as of 31 December 2022. Amortisation is scheduled over 10–20 years and the remaining amortisation period is 9 years.

Capitalised development expenses refers to internally generated technology with an amortisation period of 3-6 years and amounts to SEK 199.3 million as of 31 December 2022.

Customer relationships were established through the acquisition of CTEK (2011), Chargestorm (2018), and the acquisition of distributor rights in Germany (2017). These totalled SEK 92.4 million as of 31 December 2022. An amortisation schedule has been set at between 6-20 years and the remaining amortisation period is 15 years.

NOTE 13 INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

SEK million	Goodwill	Trademarks	Total
2021 financial year			
Opening carrying amount	**455.8**	**259.5**	**715.3**
Accumulated amortisation			
At the beginning of the year	488.8	259.5	748.3
Closing accumulated amortisation	**488.8**	**259.5**	**748.3**
Accumulated depreciation			
At the beginning of the year	-33.0	-	-33.0
Closing accumulated depreciations	**-33.0**	**-**	**-33.0**
Closing carrying amount			
As of 31 december 2021			
Acquisition cost	488.8	259.5	748.3
Accumulated depreciation	-33.0	-	-33.0
Carrying amount	**455.8**	**259.5**	**715.3**
2022 financial year			
Opening carrying amount	**455.8**	**259.5**	**715.3**
Accumulated amortisation			
At the beginning of the year	488.8	259.5	748.3
Closing accumulated amortisation	**488.8**	**259.5**	**748.3**
Accumulated depreciation			
At the beginning of the year	-33.0	-	-33.0
Closing accumulated depreciations	**-33.0**	**-**	**-33.0**
Closing carrying amount			
As of 31 december 2022			
Acquisition cost	488.8	259.5	748.3
Accumulated depreciation	-33.0	-	-33.0
Carrying amount	**455.8**	**259.5**	**715.3**

Goodwill and trademarks are attributable to the acquisition of the CTEK Group by CTEK Holding AB in 2011 and additional acquisition by the CTEK Group of Chargestorm AB in 2018.

In the original acquisition of the CTEK Group, goodwill of SEK 375.4 million and trademarks of SEK 234.0 million arose in the acquisition. The acquisition of Chargestorm AB in 2018 resulted in goodwill of SEK 113.3 million and trademarks of SEK 25.5 million.

Impairment testing of assets with indefinite useful lives

Intangible assets with indefinite useful lives are tested every year or when there are indications of impairment. The carrying amounts of goodwill and trademarks are tested for impairment on 31 December or earlier every year if there are indications of impairment requirements. Trademarks are deemed to have an indefinite useful life based on CTEK's stable position in the market and management's intention to continue marketing and developing these brands. In management's opinion, there is no foreseeable limit for the period of time when trademarks can be expected to generate net cash inflows for the Group, which is why the useful life is indefinite.

Goodwill and trademarks with indefinite useful lives are allocated to the Group's cash-generating units (CGUs), which are defined as the smallest identifiable groups of assets that generates cash inflows that are largely independent of other assets or groups of assets.

The Aftermarket and Original Equipment business areas primarily comprise the business previously named CTEK and mainly involve the sale of premium battery chargers. Energy & Facilities is primarily the business known as CTEK E-Mobility AB in previous years and mainly involves to the sale of electric vehicle chargers and accessories. These three businesses are essentially independent of other assets or groups of assets. They are the Group's cash-generating units.

NOTE 13 Intangible assets with indefinite useful lives (continued)

Intangible assets with indefinite useful lives were allocated based on information in previous acquisition analyses and a relative distribution between cash-generating units. A summary of how the intangible assets with indefinite useful lives are allocated between the cash-generating units (CGUs) is provided below.

SEK million Intangible assets per CGU, 31 December 2022	Goodwill	Trademarks	Total
Aftermarket	311.4	212.8	524.2
Original Equipment	31.1	21.2	52.3
Energy & Facilities	113.3	25.5	138.8
Total	**455.8**	**259.5**	**715.3**

SEK million Intangible assets per CGU, 31 December 2021	Goodwill	Trademarks	Total
Aftermarket	311.4	212.8	524.2
Original Equipment	31.1	21.2	52.3
Energy & Facilities	113.3	25.5	138.8
Total	**455.8**	**259.5**	**715.3**

The recoverable amount of goodwill and trademarks under IAS 36 was tested by calculating the value in use. Impairment testing of cash-generating units is based on management's expectations of the earnings trend over the next few years by preparing forecasts for these periods. The assessment requires estimates about return requirements, growth, earnings trend, investments and other factors. The forecasts for the three cash-generating units are approved by management and updated every year or more frequently if there are indications of material changes. The assumptions required for these estimates are growth rate in the forecast period, the discount rate and the operating margin, which are the three main assumptions that have an individual material impact on the value-in-use calculation.

The two cash-generating units, Aftermarket and Original Equipment, are both expected to have stable operating margins in the forecast period and a more cautious growth rate in the forecast period. Future cash flows were discounted using an interest rate of 13.6% before tax and 11.4% after tax for Aftermarket and 13.5% before tax and 11.4 after tax for Original Equipment. The long-term growth rate beyond the forecast period is 2 percent. The value-in-use calculation was tested for sensitivity for one commitment at a time. The discount rate was increased by 2 percentage points, the operating margin in the forecast period was reduced by 2 percentage points and the growth rate in the forecast period was reduced with 5 percentage points. Management's assessment is that no reasonable changes in the significant assumptions will cause the expected value in use to fall below than the carrying amount.

The Energy & Facilities cash-generating unit is expected to have an improved operating margin in the forecast period compared with prior periods and a significant growth rate in the forecast period in line with management's forecast for the underlying business area. Future cash flows were discounted using an interest rate of 16.2% before tax and 13.7% after tax. The long-term growth rate beyond the forecast period is 2 percent. The value-in-use calculation was tested for sensitivity for one commitment at a time. The discount rate was increased by 2 percentage points, the operating margin in the forecast period was reduced by 2 percentage points and the growth rate in the forecast period was reduced with 5 percentage points. The calculation of the value in use for Energy & Facilities is most sensitive as regards the assumption on operating margin and growth rate in the forecast period. Management's assessment is that no reasonable changes in the significant assumptions will cause the expected value in use to fall below than the carrying amount.

NOTE 14 TANGIBLE ASSETS

SEK million	Buildings and land	Equipment, tools and installations	Total
2021 financial year			
Opening carrying amount	**3.3**	**19.3**	**22.6**
Accumulated amortisation			
At the beginning of the year	11.9	66.7	78.6
Investments for the year	0.1	15.0	15.1
Disposals/divestments	-1.6	-7.6	-9.2
Reclassification of amortised costs, assets held for sale	-1.5	-4.8	-6.3
Translation differences	0.1	0.2	0.3
Closing accumulated amortisation	**8.9**	**69.5**	**78.5**
Accumulated impairment			
At the beginning of the year	-8.6	-47.4	-56.0
Impairments	-0.3	-7.5	-7.8
Disposals/divestments	1.1	7.3	8.4
Reclassification of accumulated amortisation, assets held for sale	1.1	3.4	4.5
Translation differences	0.0	-0.1	-0.1
Closing accumulated impairment	**-6.7**	**-44.3**	**-50.9**
Closing carrying amount			
As of 31 december 2021			
Acquisition cost	8.9	69.5	78.5
Accumulated impairment	-6.7	-44.3	-50.9
Carrying amount	**2.3**	**25.2**	**27.5**
2022 financial year			
Opening carrying amount	**2.3**	**25.2**	**27.5**
Accumulated amortisation			
At the beginning of the year	8.9	69.5	78.5
Investments for the year	-	8.8	8.8
Disposals/divestments	-	-0.6	-0.6
Reclassification of amortised costs, assets held for sale	-2.3	-	-2.3
Translation differences	0.1	0.3	0.3
Closing accumulated amortisation	**6.7**	**77.9**	**84.6**
Accumulated impairment			
At the beginning of the year	-6.7	-44.3	-50.9
Impairments	-0.3	-8.6	-9.0
Disposals/divestments	0.0	0.6	0.6
Reclassification of accumulated amortisation, assets held for sale	1.8	0.3	2.0
Translation differences	0.0	-0.2	-0.2
Closing accumulated impairment	**-5.2**	**-52.2**	**-57.4**
Closing carrying amount			
As of 31 december 2022			
Acquisition cost	6.7	77.9	84.6
Accumulated impairment	-5.2	-52.2	-57.4
Carrying amount	**1.5**	**25.7**	**27.2**

NOTE 15 INVENTORIES

SEK million	2022-12-31	2021-12-31
Finished goods	294.9	188.9
Components	29.2	20.4
-Less obsolescence finished goods	-11.8	-9.9
-Less obsolescence components	-1.0	-0.2
Total	**311.3**	**199.2**

Impairment of obsolescence of inventories is based on the age of the items, the turnover rate and other similar factors. Most impairment and reversal of previous years' impairment pertains to the obsolescence assessment performed at the end of every period end. No significant part of inventories is measured at net realisable value. During the year, impairment of inventories impacted the income statement by SEK -2.7 million (SEK -0.6 million).

NOTE 16 FINANCIAL INSTRUMENTS PER CATEGORY

Fair value

The carrying amount, after any impairment, of accounts receivable and other receivables plus accounts payable and other liabilities, is assumed to correspond to these items' fair value, since they are short-term by nature.

Financial assets in the Group pertaining to derivatives are measured at fair value at Level 2 of the fair value hierarchy. Currency forward contracts were measured at fair value, taking into account current interest rates and exchange rates on the balance-sheet date. Most of the interest-bearing liabilities carry interest at a variable rate. CTEK concludes that the book value of interest-bearing liabilities corresponds in all material respects to the fair value as the debt has a market interest rate.

The table below provides information on how fair value is determined for financial instruments measured at fair value in the statement of financial position. Fair value is measured according to the following levels:

Level 1: financial instruments are measured at prices quoted in active markets.

Level 2: financial instruments are measured based on directly or indirectly observable market data not included in Level 1.

Level 3: financial instruments are measured based on unobservable inputs in the market.

SEK million Assets in balance sheet	Derivatives	Financial assets measured at amortised cost	Non-financial	Total
2022-12-31				
Accounts receivable	-	194.4	-	194.4
Other receivables	-	2.9	5.5	8.4
Derivatives (level 2)	-	-	-	-
Cash and cash equivalents	-	10.0	-	10.0
Total	**-**	**207.3**	**5.5**	**212.7**

SEK million Assets in balance sheet	Derivatives	Financial assets measured at amortised cost	Non-financial	Total
2021-12-31				
Accounts receivable	-	188.6	-	188.6
Other receivables	-	1.4	7.9	9.3
Derivatives (level 2)	4.9	-	-	4.9
Cash and cash equivalents	-	53.5	-	53.5
Total	**4.9**	**243.5**	**7.9**	**256.2**

SEK million Liabilities in balance sheet	Derivatives	Financial liabilities measured at amortised cost	Non-financial liabilities	Total
2022-12-31				
Interest-bearing liabilities (Level 2)	-	676.7	-	676.7
Lease liabilities	-	17.4	-	17.4
Accounts payable	-	130.7	-	130.7
Other liabilities	-	3.8	10.5	14.3
Derivatives (level 2)	-	-	-	-
Total	**-**	**828.6**	**10.5**	**839.1**

NOTE 16 Financial instruments per category (continued)

SEK million Liabilities in balance sheet	Derivatives	Financial liabilities measured at amortised cost	Non-financial liabilities	Total
2021-12-31				
Interest-bearing liabilities (Level 2)	-	553.5	-	553.5
Lease liabilities	-	17.7	-	17.7
Accounts payable	-	115.3	-	115.3
Other liabilities	-	2.1	8.4	10.5
Derivatives (level 2)	1.0	-	-	1.0
Total	**1.0**	**688.6**	**8.4**	**698.1**

The following is presented for the Group's financial liabilities on 31 December 2022: expected maturity structure, extensive undiscounted cash flows for repayment and estimated interest payments based on forward contracts or actual interest and estimated margins.

SEK million	Within 1 year	Within 2-4 years	5 years and later	Total
2022-12-31				
Interest-bearing liabilities	223.2	561.5	-	784.7
Lease liabilities	7.6	9.8	-	17.4
Accounts payable	130.7	-	-	130.7
Other liabilities	14.3	-	-	14.3
Derivatives				
-Outflow	-	-	-	-
-Inflow	-	-	-	-
Total	**375.8**	**571.3**	**-**	**947.1**

SEK million	Within 1 year	Within 2-4 years	5 years and later	Total
2021-12-31				
Interest-bearing liabilities	69.1	519.0	-	588.1
Lease liabilities	6.4	11.0	0.4	17.7
Accounts payable	115.3	-	-	115.3
Other liabilities	10.5	-	-	10.5
Derivatives				
-Outflow	1.0	-	-	1.0
-Inflow	-4.9	-	-	-4.9
Total	**197.4**	**530.0**	**0.4**	**727.7**

NOTE 17 DERIVATIVES

SEK million	2022-12-31 Assets	Liabilities	2021-12-31 Assets	Liabilities
Currency derivatives	-	-	4.9	1.0
Total	**-**	**-**	**4.9**	**1.0**
Of which, long-term portion:	-	-	-	-

The carrying amount of derivatives according to the table above amounted to a net SEK 0 million in 2022 (SEK 3.9 million in 2021).

The following currency forward contracts existed at year-end, as stated in the table below and specified by hedged currency:

SEK million	2022-12-31 Nominal amount local currency	Carrying amount	2021-12-31 Nominal amount local currency	Carrying amount
EUR/SEK	-	-	11.0	-0.2
EUR/USD	-	-	5.7	4.1
Total		**-**		**3.9**

NOTE 18 ACCOUNTS RECEIVABLE

SEK million	2022-12-31	2021-12-31
Accounts receivable	198,1	192,4
Provision for expected credit losses	-3.8	-3.8
Accounts receivable – net	**194.4**	**188.6**

54 percent (39 percent in 2020) of accounts receivable outstanding on 31 December 2022 relate to 5 customers.
On 31 December 2022, accounts receivable of SEK 28.3 million (SEK 48.0 million in 2021) were past due but not considered to be impaired. The past due receivables relate to a number of customers who have not previously had difficulties with payments.
An age analysis of these accounts receivable is presented below:

SEK million	2022-12-31	2021-12-31
1-30 days	14.4	14.9
31-60 days	4.9	9.5
60-90 days	0.9	13.9
> 91 days	8.1	9.7
Total past due accounts receivable	**28.3**	**48.0**

Provisions for unsecured receivables equal to 2 percent (2 percent in 2021) of total receivables changed as follows:

SEK million	2022-12-31	2021-12-31
Opening balance	3.8	3.9
Provision for expected credit losses	0.8	0.2
Confirmed customer losses	-0.8	-0.3
Closing balance	**3.8**	**3.8**

Provisions for each reversal of reserves for expected credit losses are included in the item, Other external charges in the income statement. There is no collateral or other guarantees for outstanding accounts receivable on the balance-sheet date. The Group applies the simplified approach to recognising expected credit losses. The Group establishes loss allowances based on historical credit losses and forward-looking information.

NOTE 19 PREPAID EXPENSES AND ACCRUED INCOME

SEK million	2022-12-31	2021-12-31
Prepaid expenses	23.4	6.5
Prepaid insurance	4.3	3.8
Accrued income	2.0	1.4
Other items	5.8	1.2
Total	**35.5**	**12.9**

NOTE 20 SHARE CAPITAL AND OTHER CONTRIBUTED EQUITY

As of 31 December 2022, the share capital is 49,983,054 ordinary shares (49,292,936 shares in 2021). Nominal value per share is SEK 1.0 (1.0 in 2021). The shares entitle the holder to one vote per share. All shares issued by the parent company are paid-up in full.

NOTE 21 INTEREST-BEARING LIABILITIES

SEK million Interest-bearing liabilities	Type of loan	Interest	Currency	2022-12-31	2021-12-31
Year due					
2024	Loans from credit institutions	Variable	SEK	496.1	495.5
Total				**496.1**	**495.5**

In addition to the above interest-bearing liabilities, the company has a short-term cheque facility of SEK 200 million (SEK 100 million), of which SEK 100 million are due on 31 December 2023. SEK 180.6 million (SEK 58 million) had been utilised by year-end. The company also has an extended cheque facility of SEK 100 million, which is non-utilised and expires on 12 May 2023.

SEK million Short-term loans	Amount at start of year	Cash flow	Currency effects	Non-cash changes	Amount at year-end
2022					
Cheque facility	58.0	122.6	-	-	180.6
Total	**58.0**	**122.6**	**-**	**-**	**180.6**

SEK million Short-term loans	Amount at start of year	Cash flow	Currency effects	Non-cash changes	Amount at year-end
2021					
Cheque facility	-	58.0	-	-	58.0
Total	**-**	**58.0**	**-**	**-**	**58.0**

Change, interest-bearing liabilities

SEK million Long-term loans	Amount at start of year	Cash flow	Currency effects	Non-cash changes	Amount at year-end
2022					
Loans from credit institutions	500.0				500.0
Arrangement fees	-4.5	-1.0	-	1.6	-3.9
Total	**495.5**	**-1.0**	**-**	**1.6**	**496.1**

SEK million Long-term loans	Amount at start of year	Cash flow	Currency effects	Non-cash changes	Amount at year-end
2021					
Loans from credit institutions	632.4	-641.9	9.5	-	-
Loans from credit institutions	225.1	274.9	-	-	500.0
Arrangement fees	-27.3	-4.9	-	27.7	-4.5
Total	**830.2**	**-371.9**	**9.5**	**27.7**	**495.5**

Total interest expenses for liabilities to credit institutions amounted to SEK 19.7 million (SEK 44.3 million in 2021), where SEK 15.4 million (SEK 43.3 million in 2021) is attributable to the long-term loans and the remaining SEK 4.4 million (SEK 1.0 million in 2021) is attributable to the cheque facility. The maximum interest rate is 6.15% (7.15% in 2021). The effective interest rate was 3.0% (6.4% in 2021). The calculation of the effective interest rate refers to the long-term loans.

NOTE 21 Interest-bearing liabilities (continued)

Change, lease liabilities

SEK million Lease liabilities	Amount at start of year	New contracts during the year	Terminated/ reappraised contracts	Lease payments	Interest expenses	Translation differences	Amount at year-end
2022							
Long-term interest-bearing liabilities	11.4	5.2	-7.4	-	0.4	0.3	9.8
Short-term interest-bearing liabilities	6.4	2.0	7.5	-8.8	0.3	0.2	7.6
Total	**17.7**	**7.2**	**0.1**	**-8.8**	**0.7**	**0.6**	**17.4**

SEK million Lease liabilities	Amount at start of year	New contracts during the year	Terminated/ reappraised contracts	Lease payments	Interest expenses	Translation differences	Amount at year-end
2021							
Long-term interest-bearing liabilities	10.6	7.1	-7.2	-	0.5	0.3	11.4
Short-term interest-bearing liabilities	4.8	2.9	5.1	-6.8	0.3	0.2	6.4
Total	**15.4**	**10.0**	**-2.2**	**-6.8**	**0.8**	**0.5**	**17.7**

Maturity analysis lease liabilities

The undiscounted lease payments outstanding fall due as follows:

SEK million Undiscounted lease liabilities	2022-12-31	2021-12-31
Remaining term, less than 1 year	7.6	6.4
Remaining term, 1-5 years	9.8	11.3
Remaining term, more than 5 years	-	-
Total	**17.4**	**17.7**

NOTE 22 PROVISIONS

SEK million	2022-12-31	2021-12-31
Guarantee commitment	5.1	3.2
Total, Group	5.1	3.2
Group		
Guarantee commitment		
Carrying amount at beginning of year	3.2	3.5
Reclassification	-	-
Change in guarantee commitments during the year	1.9	-0.3
Total	**5.1**	**3.2**

NOTE 23 ACCRUED COSTS AND PREPAID INCOME

SEK million	2022-12-31	2021-12-31
Accrued salaries	5.5	13.9
Accrued holiday pay	11.9	10.5
Accrued social security contributions	4.6	6.7
Accrued interest expenses	0.2	2.5
Accrued customer discounts	15.0	17.1
Accrued expenses	5.2	6.8
Prepaid income	15.1	-
Other not individually significant items	3.7	3.5
Total	**61.2**	**61.0**

NOTE 24 PLEDGED ASSETS

There are no pledged assets in the company.

NOTE 25 LEASES

The Group's material leases comprise lease agreements for vehicles and premises. The table below presents the Group's opening and outstanding balances for right-of-use assets, lease liabilities and changes for the year.

	Right-of-use assets			
SEK million	Vehicles	Premises	Total	Lease liabilities
Opening balance 1 January 2022	5.6	11.5	17.0	17.7
Additional leases	7.3	0.0	7.3	7.2
Impairments	-5.0	-3.3	-8.3	-
Terminated contracts	-0.2	0.0	-0.2	-0.2
Translation differences	0.1	0.7	0.7	0.8
Interest expenses	-	-	-	0.7
Lease payments	-	-	-	-8.8
Closing balance, 31 December 2022	**7.8**	**8.8**	**16.6**	**17.4**

	Right-of-use assets			
SEK million	Vehicles	Premises	Total	Lease liabilities
Opening balance 1 January 2021	5.2	9.9	15.1	15,4
Additional leases	4.0	6.0	10.0	10,0
Impairments	-3.2	-3.4	-6.7	-
Terminated contracts	-0.5	-1.4	-1.9	-2,2
Translation differences	0.0	0.5	0.5	0,5
Interest expenses	-	-	-	0,7
Lease payments	-	-	-	-6,8
Closing balance, 31 December 2021	**5.6**	**11.5**	**17.0**	**17,7**

The amounts recognised in the consolidated income statement for the year attributable to leasing activities are presented below:

SEK million	2022-12-31	2021-12-31
Depreciation of right-of-use assets	-8.3	-6.7
Interest expenses on lease liabilities	-0.7	-0.7
Expenses for short-term leases	-2.3	-1.2
Expenses for low-value leases	-0.5	-0.4
Expenses for variable lease payments	-0.6	-0.4
Total	**-12.4**	**-9.4**

The cash outflow for leases recognised in the balance sheet was SEK 8.8 million (6.8) for the 2022 financial year. The cash outflow is recognised as interest and lease payments. For a maturity analysis of the Group's lease liabilities, see Note 21.

NOTE 26 TRANSACTIONS WITH RELATED PARTIES

Over the course of the year, transactions with related parties included the introduction of a long-term incentive programme (LTIP 2025). The Board of Directors, CEO and other executive managers have invested in the company through warrants. For further information, please see Note 6.

NOTE 27 SUPPLEMENTARY DISCLOSURES ON CASH FLOW

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Non-cash items		
Depreciation and amortisation	72.0	68.5
Capital gains/losses	-1.1	0.6
Changes provisions	1.9	-0.3
Unrealised currency effects	-0.9	-4.6
Other	0.0	-0.1
Total	**71.9**	**64.1**

NOTE 28 SHARES IN GROUP COMPANIES

The Group has the following subsidiaries:

Name	Corp. Reg. No.	Registered office	Capital share
CTEK Holding AB	556853-7558	Vikmanshyttan	100%
CC Group Co-Invest AB	556865-8156	Stockholm	100%
CTEK Group AB	556853-7541	Vikmanshyttan	100%
CTEK E-Mobility AB	556787-6270	Norrköping	100%
Charge Holding AB	556734-5979	Vikmanshyttan	100%
CTEK HK	11132386	Hong Kong	100%
CTEK Smart Chargers China	440301503395546	Shenzhen-China	100%
Faluator Management AB	556250-6468	Vikmanshyttan	100%
Hedemorabladet Fastighetsförvaltning AB	556410-7661	Vikmanshyttan	100%
CTEK Sweden AB	556540-3234	Vikmanshyttan	100%
CTEK Power Inc	F04000004301	Tallahassee-USA	100%
CTEK France SARL	520 351 589 R.C.S Paris	Paris-France	100%
CTEK Smart Chargers Gmbh	342042412	Berlin-Germany	100%
CTEK Australia Pty Ltd	161 473 098	Sydney-Australia	100%
CTEK Denmark	35532633	Fjerritslev-Denmark	100%
CTEK Battery Management UK Ltd	9704471	Dorset-England	100%
CTEK Norway AS	928126560	Drobak-Norway	100%

NOTE 29 PROPOSED PROFIT DISTRIBUTION

The following amounts in SEK are at the disposal of the Annual General Meeting	
Share premium reserve	1,339,422,658
Retained earnings	5,344,394
Earnings for the financial year	-19,912,806
Total	**1,324,854,246**

The Board of Directors proposes that available earnings and unrestricted funds be appropriated as follows:	
Balance carried forward	1,324,854,246

NOTE 30 ASSETS HELD FOR SALE

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Buildings and land	0.7	1.7
Total, Group	**0.7**	**1.7**

NOTE 31 EVENTS AFTER THE BALANCE-SHEET DATE

CTEK's Board of Directors and Jon Lind have jointly agreed that Jon Lind will leave his position as President and CEO, which he has held since April 2013. The Board appointed Ola Carlsson, member of the Board since 2011, as acting CEO from 10 January. According to the Company's guidelines, Jon Lind is entitled to a severance payment equal to 18 months' salary. The severance payment may total a maximum of SEK 7.9 million provided that Mr. Lind does not assume a new position during this period.

CTEK's Board of Directors has decided on a guaranteed preferential rights issue of 350 MSEK. The preferential rights issue was approved at an extraordinary general meeting on 3 March 2023. The preferential rights issue has been fully subscribed and paid up.

At the Extraordinary General Meeting, Stefan Linder resigned as a board member and was replaced by Johan Menckel.

Parent Company income statement

SEK million	Note	2022-12-31	2021-12-31
Net sales	2	19.0	9.7
Other operating income		0.0	0.1
Gross profit		19.0	9.7
Operating expenses			
Other external expenses	3	-11.1	-6.0
Personnel costs	4	-9.2	-11.1
Items affecting comparability	5	-	-26.5
Total expenses		**-20.3**	**-43.6**
Operating income		**-1.3**	**-33.8**
Net financial items			
Financial income	6	0.0	-
Financial expenses	6	-18.3	-2.9
Financial items – net		**-18.3**	**-2.9**
Adjustment results	7	-	43.5
Profit before tax		**-19.6**	**6.7**
Tax on net profit for the year	8	-0.3	-1.4
Net profit and comprehensive income for the year		**-19.9**	**5.3**

Parent Company balance sheet

SEK million	Note	2022-12-31	2021-12-31
ASSETS			
Fixed assets			
Financial assets			
Shares in Group companies	9	1,090.4	1,031.3
Receivables from Group companies		819.9	841.8
Deferred tax assets		2.0	-
Total financial assets		**1,912.3**	**1,873.0**
Total, fixed assets		**1,912.3**	**1,873.0**
Current assets			
Receivables from Group companies		3.7	4.3
Other short-term receivables		0.2	4.2
Prepaid expenses and accrued income		6.1	3.8
Cash and cash equivalents		-	0.7
Total, current assets		**10.0**	**13.1**
TOTAL ASSETS		**1,922.4**	**1,886.2**

Parent Company balance sheet

SEK million	Note	2022-12-31	2021-12-31
EQUITY AND INDEBTEDNESS			
Equity			
Restricted equity			
Share capital	10	50.0	49.3
Total restricted equity		**50.0**	**49.3**
Unrestricted equity			
Share premium reserve		1,339.4	1,277.2
Retained earnings		5.3	0.0
Earnings for the financial year		-19.9	5.3
Total unrestricted equity		**1,324.9**	**1,282.6**
Total equity		**1,374.8**	**1,331.9**
Long-term liabilities			
Interest-bearing liabilities	11	496.1	495.5
Total long-term liabilities		**496.1**	**495.5**
Short-term liabilities			
Accounts payable		0.1	1.9
Payables to Group companies		45.2	45.2
Current tax liabilities		-	1.2
Other short-term liabilities		3.3	2.5
Accrued costs and prepaid income		2.9	8.1
Total short-term liabilities		**51.5**	**58.8**
TOTAL EQUITY AND INDEBTEDNESS		**1,922.4**	**1,886.2**

Parent Company's statement of change in equity

SEK million	Share capital	Share premium reserve	Deferred profit	Total equity
Opening equity 1 January 2021	**42.4**	**850.0**	**0.0**	**892.3**
Allocation of surplus			-	-
Earnings for the financial year			5.3	5.3
Transactions with the shareholders				
New share issue	4.9	307.2		312.1
New share issue through equity issue	2.0	138.4		140.5
Issue costs		-18.3		-18.3
Closing equity 31 December 2021	**49.3**	**1,277.2**	**5.3**	**1,331.9**
Opening equity 1 January 2022	**49.3**	**1,277.2**	**5.3**	**1,331.9**
Allocation of surplus			-	-
Earnings for the financial year			-19.9	-19.9
Transactions with the shareholders				
New share issue through equity issue	0.7	58.4		59.1
Other				
Other items recognised directly against equity		3.8		3.8
Closing equity 31 December 2022	**50.0**	**1,339.4**	**-14.6**	**1,374.8**

Parent Company's statement of cash flows

SEK million	Note	2022-12-31	2021-12-31
Operating activities			
Operating income		-1.3	-33.8
Adjustments for items not included in the cash flow:		-	-
Cash flow before financial items		**-1.3**	**-33.8**
Interest paid		-17.3	-
Financial items paid		-4.5	-4.9
Tax paid		0.0	-0.2
Cash flow from operating activities before changes in working capital		**-23.1**	**-39.0**
Cash flow from changes in working capital			
Change in short-term receivables		4.4	-10.8
Change in short-term liabilities		-3.9	9.8
Cash flow from operating activities		**-22.6**	**-40.0**
Financing activities			
Paid-in new share issue		-	312.1
Issue cost		-	-18.3
Change in intra-group loans		21.9	-754.6
Repayment of loans		-	500.0
Cash flow from financing activities		**21.9**	**39.1**
Cash flow for the year		-0.7	-0.9
Cash and cash equivalents at the opening of the year		0.7	1.6
Cash and cash equivalents at the close of the year		**-**	**0.7**

Notes to the Parent Company's financial statements

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

The Parent Company's financial statements was prepared in accordance with the Swedish Annual Accounts Act and in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. This means that IFRS is applied with such deviations and additions as are indicated below.

Financial statements

In accordance with the requirements of RFR 2, the financial statements of the Parent Company differ from those presented for the Group. This means that the Parent Company has five statements in the annual accounts: income statement, statement of comprehensive income, balance sheet, cash flow statement and statement of change in equity.

Leases

The Parent Company applies the exemption in RFR 2 for leases. Lease payments are recognised on a straight-line basis over the lease term unless another systematic basis better reflects the economic benefits to the company over time.

Shares in subsidiaries

Investments in subsidiaries are reported for the Parent Company using the cost model. If there is an indication that investments in subsidiaries are impaired, a calculation of the recoverable amount is made. If this amount is less than the carrying amount, an impairment loss is recognised. Impairment losses are recorded under "Result from investments in group companies".

Intra-group transfers and shareholder contributions

Intra-group transfers, whether received or paid, are reported as adjustment results.

Shareholder contributions made by the Parent Company are recognised directly in the equity of the recipient and capitalised in the shares of the Parent Company provided there is no impairment.

NOTE 2 PARENT COMPANY SALES TO AND PURCHASES FROM GROUP COMPANIES

During the year, the Parent Company invoiced its subsidiaries SEK 19.0 million (9.7) for Group-wide services. The Parent Company has not purchased any services from subsidiaries.

NOTE 3 AUDITORS' FEES

An audit assignment refers to the statutory audit of the annual accounts and financial statements and the management of the Board of Directors, other tasks to be performed by the company's auditor and advice or other assistance resulting from the findings of such auditing or the performance of such other tasks. Tax advisory services include general consultation on tax matters and tax advice in connection with transfer pricing. Other services are consultancy services that do not fall into any of the above categories. In 2022, Other services refers to work primarily related to the completed equity issue, accounting matters and cybersecurity.

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Ernst & Young		
-Audit assignment	2.4	2.5
-Tax advisory services	-	3.3
-Other services	1.0	3.9
Total	**3.4**	**9.7**

NOTE 4 SALARIES AND OTHER REMUNERATION

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Salaries and other remuneration	-6.0	-7.5
Social security contributions	-1.9	-2.5
Pension costs - defined-contribution plans	-1.2	-1.1
Total	**-9.1**	**-11.1**

NOTE 5 ITEMS AFFECTING COMPARABILITY

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Expenses related to the listing process.	-	-26.5
Total	**-**	**-26.5**

NOTE 6 FINANCIAL INCOME AND EXPENSES

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Financial income		
Interest income	0.0	-
Financial income	**0.0**	**-**
Financial expenses		
Interest expenses on borrowing	-15.0	-2.5
Other financial expenses on borrowing	-3.3	-0.4
Financial expenses	**-18.3**	**-2.9**
Financial items – net	**-18.3**	**-2.9**

NOTE 7 ADJUSTMENT RESULTS

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Received intra-group transfers	-	43.5
Total	**-**	**43.5**

NOTE 8 TAX ON NET PROFIT FOR THE YEAR

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Current tax on net profit for the year	-0.3	-1.4
Total current tax	**-0.3**	**-1.4**
Total income tax	**-0.3**	**-1.4**
Profit before tax	-19.6	6.7
Income tax according to applicable tax rate 20.6% (20.6%)	4.0	-1.4
Tax effects of:		
- Non-deductible expenses	-3.8	0.0
– Change in deferred tax related to deficits and similar items	-0.6	-
Tax recognised in net profit for the year	**-0.3**	**-1.4**

In the parent company in 2022, loss carryforwards occurred that could not be recovered. In 2022, the Parent Company has tax items recognised directly against equity.

NOTE 9 SHARES IN GROUP COMPANIES

SEK million	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Opening carrying amount	1,031.3	890.8
Acquisitions	59.1	140.5
Closing carrying amount	**1,090.4**	**1,031.3**

Acquisitions during the financial year relate to shares in CTEK Holding AB.

Name	Corp. Reg. No.	Registered office	Capital share	Number of shares	Carrying amount 2022	Carrying amount 2021
Direct holdings						
CTEK Holding AB	556853-7558	Vikmanshyttan	100%	444,299,630	1,090.4	1,031.3
CC Group Co-Invest AB	556865-8156	Stockholm	100%	2,440,270		
Indirect holdings						
CTEK Group AB	556853-7541	Vikmanshyttan	100%	137,500,000		
CTEK E-Mobility AB	556787-6270	Norrköping	100%	1,225		
Charge Holding AB	556734-5979	Vikmanshyttan	100%	273,042,662		
CTEK HK	11132386	Hong Kong	100%	10,000		
CTEK Smart Chargers China	440301503395546	Shenzhen-China	100%			
Faluator Management AB	556250-6468	Vikmanshyttan	100%	1,000		
Hedemorabladet Fastighetsförvaltning AB	556410-7661	Vikmanshyttan	100%	1,000		
CTEK Sweden AB	556540-3234	Vikmanshyttan	100%	100,000		
CTEK Power Inc	F04000004301	Tallahassee-USA	100%	100		
CTEK France SARL	520 351 589 R.C.S Paris	Paris-France	100%	100		
CTEK Smart Chargers Gmbh	342 042 412	Berlin-Germany	100%	25,000		
CTEK Australia Pty Ltd	161 473 098	Sydney-Australia	100%	100		
CTEK Denmark	35532633	Fjerritslev-Denmark	100%	80,000		
CTEK Battery Management UK Ltd	9704471	Dorset-England	100%	1		
CTEK Norway AS	928126560	Drobak-Norway	100%	30		

Voting shares correspond to capital shares

NOTE 10 SHARE CAPITAL AND OTHER CONTRIBUTED EQUITY

As of 31 December 2022, the share capital is 49,983,054 ordinary shares (49,292,936). Nominal value per share is SEK 1.0 (1.0). The shares entitle the holder to one vote per share. All shares issued by the parent company are paid-up in full.

NOTE 11 INTEREST-BEARING LIABILITIES

SEK million Interest-bearing liabilities	Type of loan	Interest	Currency	2022-12-31	2021-12-31
Year due					
2024	Loans from credit institutions	Variable	SEK	496.1	495.5
Total				**496.1**	**495.5**

SEK million Long-term loans	Amount at beginning of year	Cash flow	Currency effects	Non-cash changes	Amount at year-end
2022					
Loans from credit institutions	500.0				500.0
Arrangement fees	-4.5	-1.0		1.6	-3.9
Total	**495.5**	**-1.0**		**1.6**	**496.1**

SEK million Long-term loans	Amount at beginning of year	Cash flow	Currency effects	Non-cash changes	Amount at year-end
2021					
Loans from credit institutions	-	500.0	-	-	500.0
Arrangement fees	-	-4.9	-	0.4	-4.5
Total	**-**	**495.1**	**-**	**0.4**	**495.5**

NOTE 12 PLEDGED ASSETS

There are no pledges in the Company as of 31 December 2022, see Note 24 of the Consolidated financial statements for further information.

NOTE 13 PROPOSED PROFIT DISTRIBUTION

The following amounts in SEK are at the disposal of the Annual General Meeting	
Share premium reserve	1,339,422,658
Retained earnings	5,344,394
Earnings for the financial year	-19,912,806
Total	**1,324,854,246**

The Board of Directors proposes that available earnings and unrestricted funds be appropriated as follows:	
Balance carried forward	1,324,854,246

NOTE 14 EVENTS AFTER THE BALANCE-SHEET DATE

CTEK's Board of Directors and Jon Lind have jointly agreed that Jon Lind will leave his position as President and CEO, which he has held since April 2013. The Board appointed Ola Carlsson, member of the Board since 2011, as acting CEO from 10 January. According to the Company's guidelines, Jon Lind is entitled to a severance payment equal to 18 months' salary. The severance payment may total a maximum of SEK 7.9 million provided that Mr. Lind does not assume a new position during this period.

CTEK's Board of Directors has decided on a guaranteed preferential rights issue of 350 MSEK. The preferential rights issue was approved at an extraordinary general meeting on 3 March 2023. The preferential rights issue has been fully subscribed and paid up.

At the Extraordinary General Meeting, Stefan Linder resigned as a board member and was replaced by Johan Menckel.

The Board of Directors declares that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and that they present a true and accurate view of the Group's financial position and performance. The financial statements were prepared in accordance with generally accepted accounting principles and present a true and accurate view of the Parent Company's financial position and performance. The Group and Parent Company Management Report present a true and accurate overview of the development of the Group's and the Parent Company's business, financial position and performance, and describes the material risks and uncertainties faced by the Parent Company and its subsidiaries.

Vikmanshyttan, on such date as indicated by our electronic signature.

Hans Stråberg
Chairman of the Board

Ola Carlsson
CEO, Member of the Board

Michael Forsmark
Member of the Board

Björn Lenander
Member of the Board

Johan Menckel
Member of the Board

Jessica Sandström
Member of the Board

Pernilla Valfridsson
Member of the Board

Daniel Forsberg
Employee Representative

Mats Lind
Employee Representative

Our audit report was submitted on such date as indicated by our electronic signature
Ernst & Young AB

Erik Sandström
Authorised public accountant

Auditor's report

To the general meeting of the shareholders of CTEK AB,
corporate identity number 559217-4659

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of CTEK AB (publ) except for the corporate governance statement on pages 17-28 for the year 2022. The annual accounts and consolidated accounts of the company are included on pages 7-16 and 39-89 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 17-28. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of Goodwill and Trademarks

Description

Goodwill amounts to 455.8 million SEK and trademarks amounts to 259.5 million SEK in the consolidated statement of financial position. As disclosed in note 13, the value of goodwill and trademarks is tested annually, or as soon as indicators of impairment are identified, by calculating the recoverable amount and comparing it to the carrying value.

The impairment tests for 2022 did not result in any impairment.

As stated in note 13, the recoverable amount is determined as the value in use. Significant estimates in the calculation of value in use are, amongst others, annual growth rate for the forecast period, discount rate and expected operating profit. Also, the valuation requires identification of cash generating units.

Due to the estimates and judgments required to prepare the impairment test and due to the size of the carrying amounts we have assessed the valuation of goodwill and trademarks in the group to be a key audit matter.

How our audit addressed this key audit matter

In our 2022 audit we have evaluated the group's process to prepare impairment tests and to identify cash generating units. We have audited the significant estimates regarding future cash flows used in the impairment test by, among other procedures, comparing them to historical outcome, forecasts and also performed sensitivity analysis for changes in key estimates. We have also evaluated applied discount rate and terminal growth rate by comparison to peer companies.

We have involved internal valuations specialists in performing our audit procedures and to evaluate the valuations models that have been used.

Finally, we have assessed the appropriateness of the disclosures in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-6 and 95-99. The other information also includes the remuneration report and were obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of CTEK AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 17-28 as been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard RevR 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's examination of the ESEF report
Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for CTEK AB for the financial year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of CTEK AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of CTEK AB by the general meeting of the shareholders on the 12th of May 2022 and has been the company's auditor since the 2012.

Stockholm, on such date as indicated by our electronic signature
Ernst & Young AB

Erik Sandström
Authorized Public Accountant

Alternative performance measures

ORIGIN OF ALTERNATIVE PERFORMANCE MEASURES

CTEK uses financial measures ("alternative performance measures"), that are not defined under IFRS. In CTEK's opinion, these financial measures provide valuable information to readers of the report since they complement the evaluation of the Company's financial performance. The performance measures that CTEK has chosen to present are relevant to the business and in relation to the financial targets for growth, margin and capital structure. The Definitions section on page 96 describes how CTEK defines the performance measures as well as the purpose of each performance measure. The data provided below is supplementary information for determining the origin of the alternative performance measures.

ADJUSTED EBITDA/EBITA

Amounts in SEK million	2022	2021
Operating income	36.2	81.8
Items affecting comparability		
-External expenses related to the listing process	-	40.4
-Expenses related to supply chain restructuring	4.9	-
-Expenses related to reorganisation	10.0	-
Depreciation and amortisation (+)	72.0	68.5
Adjusted EBITDA	**123.1**	**190.7**
Amortisation of non-M&A-related intangible assets (-)	-26.6	-25.6
Depreciation of tangible assets (-)	-17.3	-14.4
Adjusted EBITA	**79.2**	**150.7**

GROWTH, GROUP

Amounts in SEK million	2022	2021
Organic growth (%)	-3.5	34.2
Currency effect (%)	6.6	-3.7
Sales growth (%)	**3.1**	**30.5**

GROSS MARGIN

Amounts in SEK million	2022	2021
Net sales	950.1	921.8
Cost of goods sold	-472.0	-434.1
Gross profit	478.1	487.7
Gross margin (%)	**50.3**	**52.9**

NET DEBT

Amounts in SEK million	2022	2021
Current assets		
-Cash and cash equivalents	-10.0	-53.5
Long-term liabilities		
-Interest-bearing liabilities, including lease liabilities	505.9	506.8
-Interest-bearing lease liabilities	-9.8	-11.4
Short-term liabilities		
-Interest-bearing liabilities, including lease liabilities	188.3	64.4
-Interest-bearing lease liabilities	-7.6	-6.4
Total net debt	**666.7**	**500.0**
Operating income	**36.2**	**81.8**
-Depreciation, amortisation and impairment of tangible and intangible assets	-72.0	-68.5
EBITDA	**108.1**	**150.3**
Items affecting comparability	**-14.9**	**-40.4**
Adjusted EBITDA	**123.1**	**190.7**
Net debt/adjusted EBITDA	**5.4x**	**2.6x**

MULTI-YEAR OVERVIEW

Group	2022	2021	2020	2019	2018
Net sales, SEK million	950.1	921.8	706.3	635.4	573.3
Operating income, SEK million	36.2	81.8	142.7	68.3	102.1
Operating margin, %	4	9	20	11	18
Balance sheet, SEK million	1708.3	1 566.4	1 453.9	1 363.0	1 383.1
Equity, SEK million	662.4	655.1	285.6	201.0	179.7
Equity ratio, %	39	42	20	15	13

Definitions

Dimensions:	Definition/Calculation	
Interest-bearing net debt	Interest-bearing liabilities adjusted for lease liabilities less interest-bearing assets and cash and cash equivalents	

Alternative performance measures:	Definition/Calculation	Purpose
Net sales EVSE	Sales of EV chargers and accessories as a share of the divisions' total net sales	Used to measure sales of products for electrified vehicles
Gross margin	Gross profit as a percentage of net sales	Used to measure product profitability
Gross profit	Net sales less cost of goods sold, freight and duty	Used to measure product profitability
EBITA	Operating income before amortisation and impairment of M&A-driven fixed assets	Measure of the underlying earnings capacity of the business and facilitates comparison between the quarters
Adjusted EBITA	EBITA before items affecting comparability	Measure of the underlying earnings capacity of the business and facilitates comparison between the quarters
Adjusted EBITA margin	Adjusted EBITA as a percentage of net sales	This performance measure gauges the degree of profitability of the business
Adjusted EBITDA	EBIT according to the income statement before items affecting comparability, depreciation/amortisation and impairment of intangible and tangible assets	Measure of the underlying earnings capacity of the business and facilitates comparison between the quarters
Items affecting comparability	Items affecting comparability refers to material income and cost items that are recognised separately due to the significance of their nature and amounts	Recognising items affecting comparability separately increases the comparability of EBIT over time
Net debt/Adjusted EBITDA	Net debt to in relation to Adjusted EBITDA	Measure showing the capacity to repay debt
Organic growth	Change in net sales adjusted for acquisitions/ divestments and currency effects	Measure of internally generated growth
Sales growth	Net sales for the current period in relation to net sales for the comparative period	Aims to show the trend in net sales
Segment profit/loss	Adjusted EBITDA excluding central items	Measure showing the earnings capacity of the segment
Segment margin	Earnings for the segment as a percentage of net sales for the segment	Measure showing the earnings capacity of the segment
Currency effect	Average exchange rate of the comparative period multiplied by sales in local currency for the current period	Aims to show growth excluding currency effects

Concept:	Definition/Calculation	Purpose
Central	Sales in Central comprise items that are not attributable to any specific segment. Also includes Groupwide income and costs that are not allocated to the segments	Items that are not directly attributable to the segments

Information for the shareholders

11 MAY 2023 ANNUAL GENERAL MEETING

The Annual General Meeting of CTEK AB (publ) will be held on Thursday 11 May 2023 at 3.00 p.m. at CTEK's premises at Industrivägen 24, 776 70 Vikmanshyttan, Sweden. Registration for the Annual General Meeting starts at 2.00 p.m.

PARTICIPATION

Shareholders wishing to attend the Annual General Meeting must
- Be entered in the share register maintained by Euroclear Sweden AB as of Wednesday 3 May 2023.
- Provide notice of their participation by Friday 5 May 2022.

Due to environmental considerations and for increased efficiency through the use of digital services, CTEK has opted not to send out the notice of the general meeting by post.

Notice of participation can be provided as follows:
- **Electronically:** https://anmalan.vpc.se/euroclearproxy.
- **By phone:** 08-461 58 72
- **Via e-mail:** GeneralMeetingService@euroclear.com
- **By post** CTEK AB (publ), "AGM", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden.

The notification must include the name, personal/organisation number, address, daytime telephone number and the number of assistants, if any, up to a maximum of two.

TRUSTEE-REGISTERED SHARES

Shareholders who have had their shares registered in the name of a trustee in order to participate in the meeting and exercise their voting rights, temporarily register the shares in their own name. Such registration must be effected with Euroclear Sweden AB no later than Wednesday, 3 May 2023. This means that the shareholder must notify the nominee of this well before this date.

DIVIDEND AND RECORD DATE

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2022 financial year.

Nomination Committee

CTEK AB
Att: Valberedningen
Rostugnsvägen 3
SE-776 70 Vikmanshyttan, Sweden

FOR FURTHER INFORMATION, PLEASE CONTACT:

Ola Carlsson, acting President and CEO
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Niklas Alm, Head of Investor Relations
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CTEK AB (publ), Corporate Registration Number 559217-4659,
Rostugnsvägen 3
SE-776 70 Vikmanshyttan, Sweden

FINANCIAL CALENDAR

- 2022 Annual Report: 5 April 2023
- Interim report, Q1, 2023: 10 May 2023
- 2023 Annual General Meeting: 11 May 2023
- Interim report, Q2, 2023: 9 August 2023
- Interim report, Q3, 2023: 15 November 2023

CTEK

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