

A series of approximately 10 horizontal orange lines on a black background. On the left side, these lines curve inward, creating a rounded, tunnel-like effect that frames the central text.

INTERIM REPORT Q2 2023

Today's presenters

OLA CARLSSON
Acting CEO



THOM MATHISEN
CFO



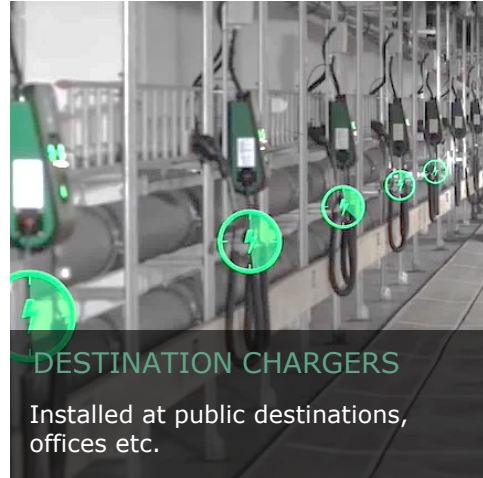
What we do at CTEK

EVSE



HOME CHARGERS

Installed in garages, driveways or at residential properties



DESTINATION CHARGERS

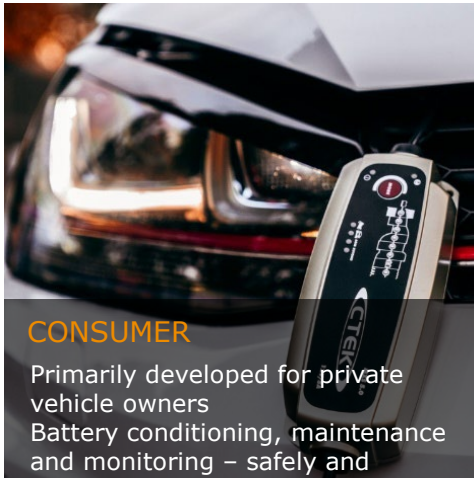
Installed at public destinations, offices etc.



PORTABLE EV CHARGERS

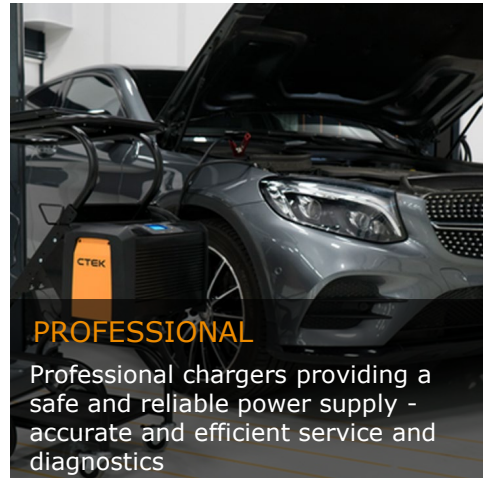
Portable chargers for use away from home (e.g. holiday homes)

Low voltage



CONSUMER

Primarily developed for private vehicle owners
Battery conditioning, maintenance and monitoring – safely and



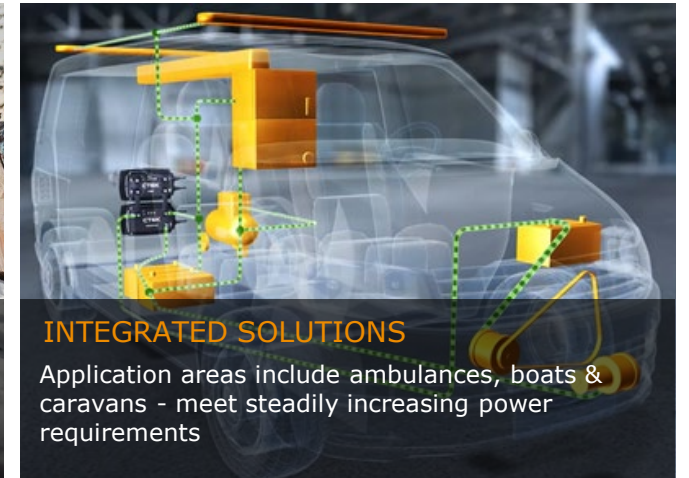
PROFESSIONAL

Professional chargers providing a safe and reliable power supply - accurate and efficient service and diagnostics



PORTABLE LOW VOLTAGE

Multi-functional portable charging with revolutionary Adaptive Boost technology

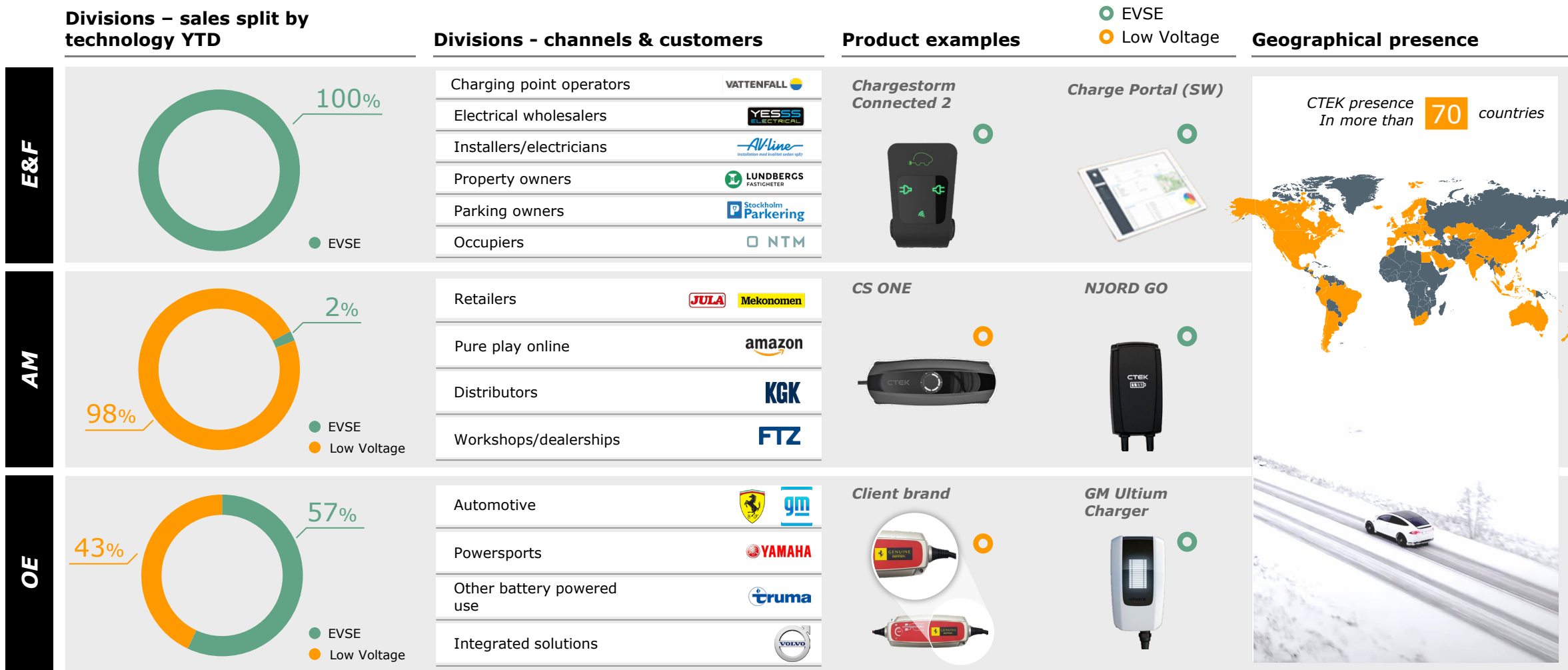


INTEGRATED SOLUTIONS

Application areas include ambulances, boats & caravans - meet steadily increasing power requirements

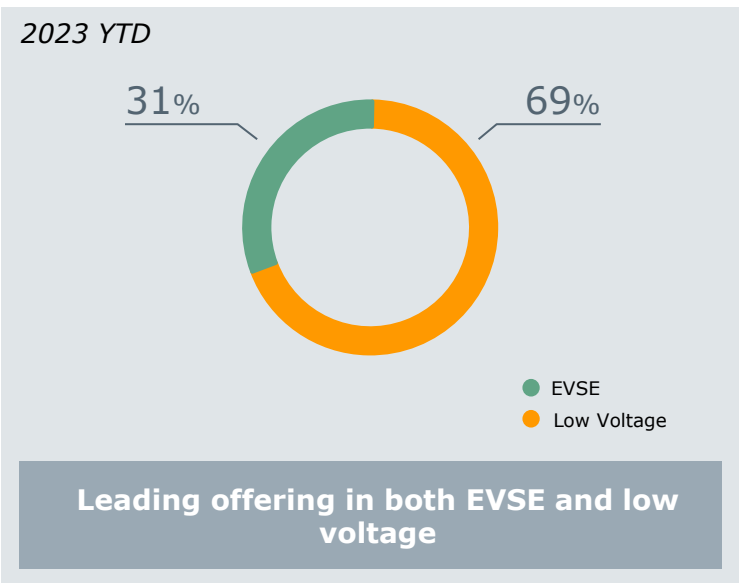
CTEK

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

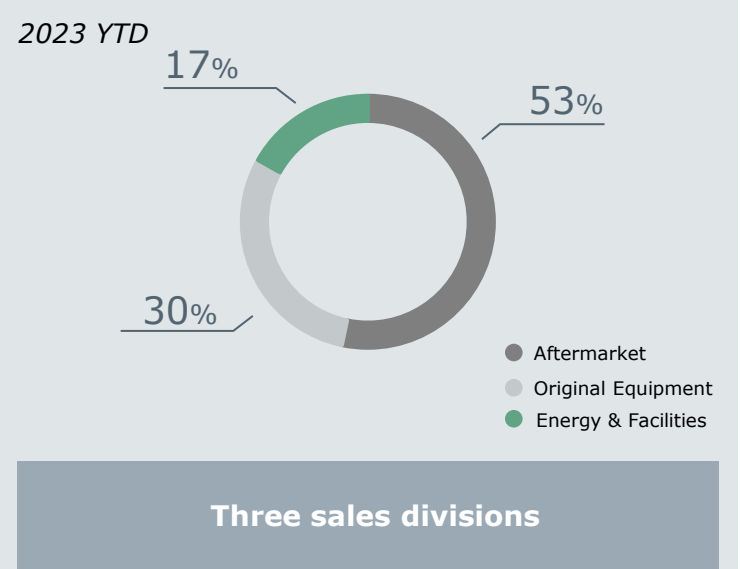


2023 YTD sales by technology, division and region

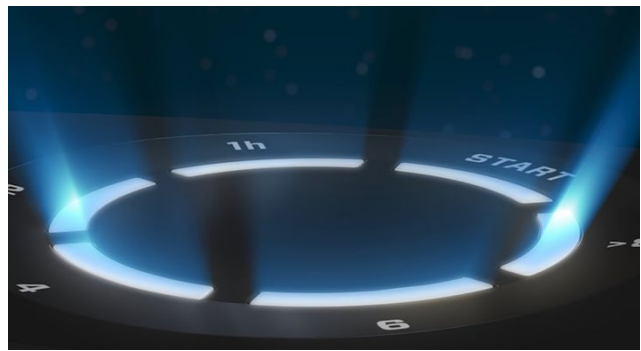
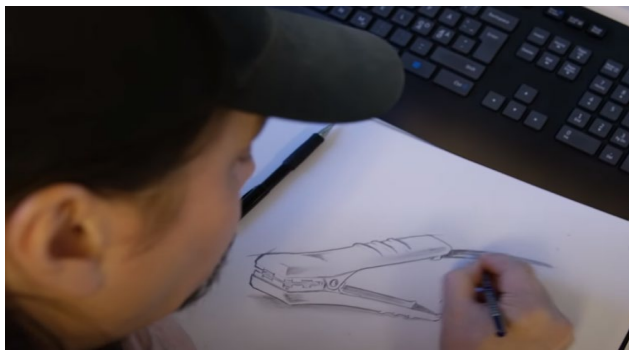
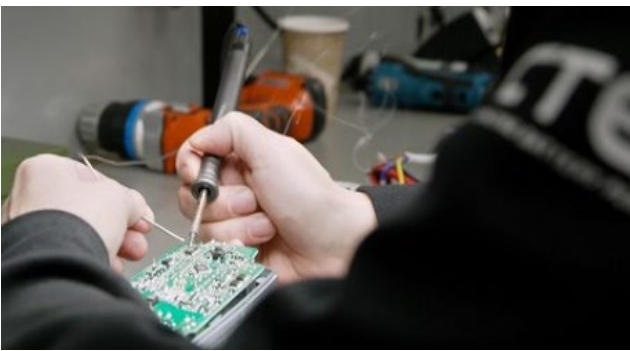
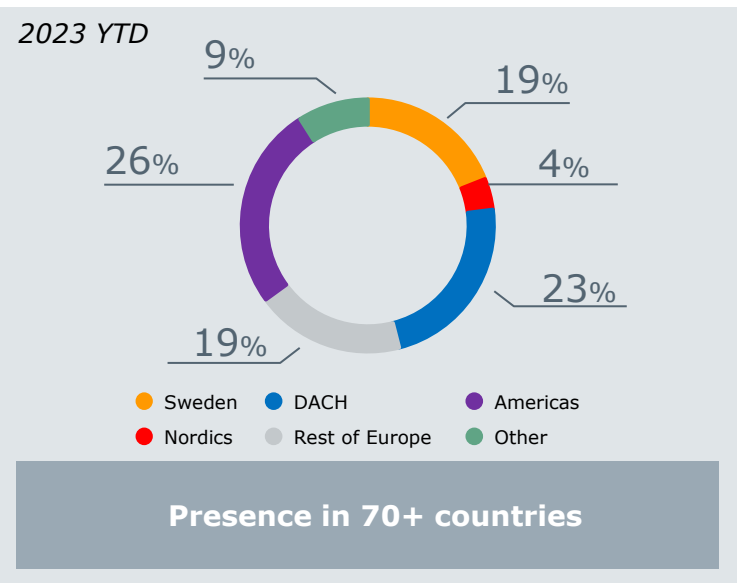
Sales by technology



Sales by division



Sales by region



Q2 Interim Report

Key financials Q2 2023

SEKm	2023 Q2	2022 Q2	Full year 2022
AM	106.3	141.0	566.4
OE	58.9	29.6	178.7
E&F	33.3	53.9	180.2
Central	0.4	10.1	24.8
Total net sales	198.9	234.7	950.1
Gross margin	50.4%	52.1%	50.3%
Segment profit/loss (Adjusted EBITDA)			
AM	38.3	50.7	195.9
OE	3.2	3.3	30.9
E&F	-9.0	-3.6	-32.5
Adj. EBITDA pre OH costs	32.6	50.3	194.3
Overhead costs	-15.5	-16.7	-71.2
Adj. EBITDA, group	17.0	33.6	123.1
Depreciations, non-acquisition related fixed assets	-14.2	-10.4	-43.9
Adjusted EBITA, group	2.8	23.2	79.2
Items affecting comparability	-8.3	-	-14.9
EBITA, group	-5.5	23.2	64.3
Financial net	-5.4	-0.6	-14.8
Tax	-4.1	-3.7	-18.6
Profit/loss for the period	-22.1	11.8	2.7
EPS after dilution, SEK	-0.32	0.24	0.05

Comments Q2 2023

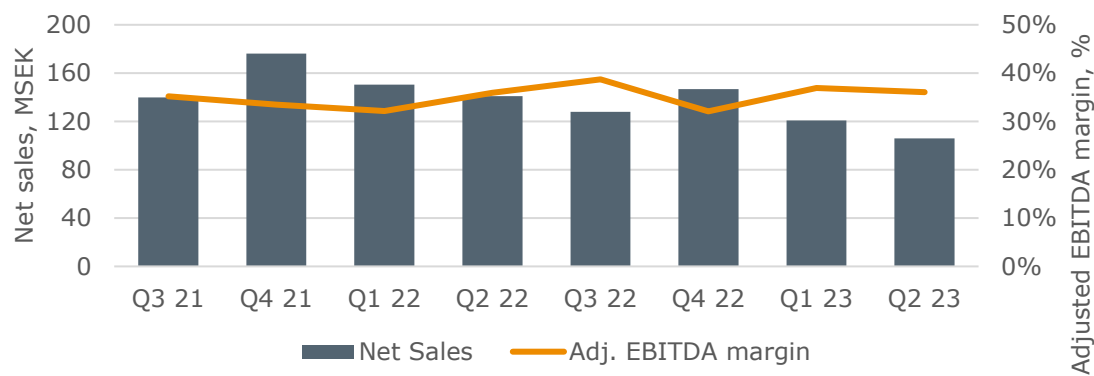
- Net sales decreased to SEK 198.9m (234.7m), -20% adjusted for currency
- EVSE products accounted for 31% (29%) of total sales
- Gross margin decreased 1.7 p.p. to 50.4% (52.1%) The lower margin is mainly due to a changed product mix
- Adjusted EBITA margin decreased to 1.4% (9.9%).
- Q2 2023 included SEK -8.3m (0) of items affecting comparability
- Operating profit amounted to SEK -22.1m (11.8m)
- Financial items (net) amounted to SEK -5.4m (0.6m)
- EPS was SEK -0.32 (0.24)

Aftermarket

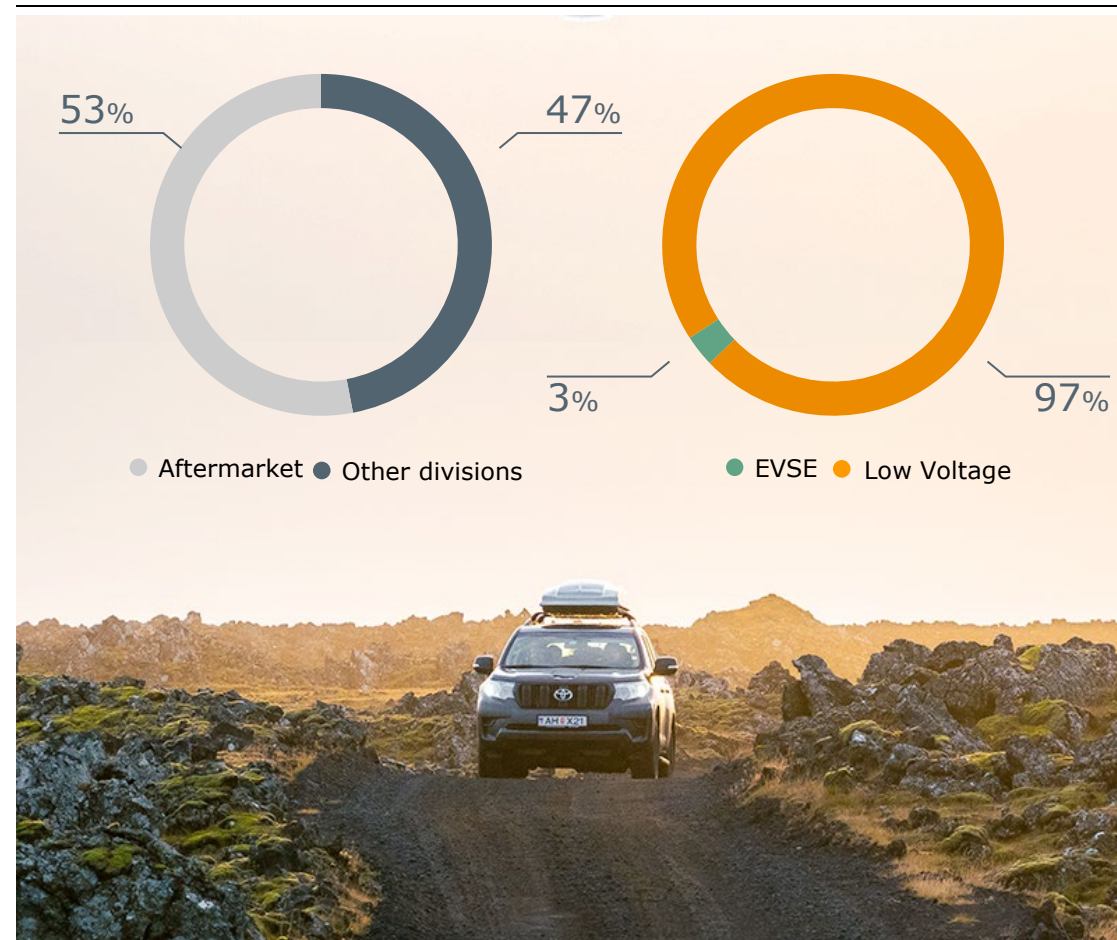
Lower consumer spending impacted net sales

- Net sales fell 25% to SEK 106m (141m) in Q2 2023, or -30% adjusted for currency.
- The Aftermarket division noted more volatile end-consumer demand due to restrained consumer spending, especially during April.
- Adjusted EBITDA amounted to SEK 38m (51m), corresponding to a margin of 36.1% (35.9%). The continuously stable margins was due to price increases, less air freights and spot buy of components compared to last year.

Net sales and adjusted EBITDA margin



Share of divisional Q2 sales - Aftermarket



Original Equipment

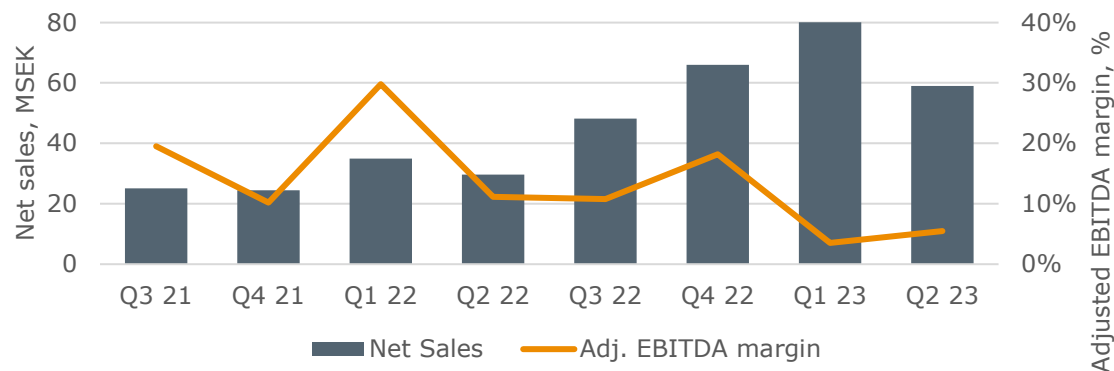
Improved net sales due to ramp-up of GM deliveries

- Net sales increased 99% to SEK 59m (30m) in Q2 2023, of which 88% organically.
- The performance was mainly due to continuous deliveries of EV charger to General Motors, but also a generally good demand from a number of OEM's within Low Voltage.
- Adjusted EBITDA amounted to SEK 3m (3m), corresponding to a margin of 5.5% (11%). The negative margin development is related to a change in product mix.

Share of divisional Q2 sales – Original Equipment



Net sales and adjusted EBITDA margin

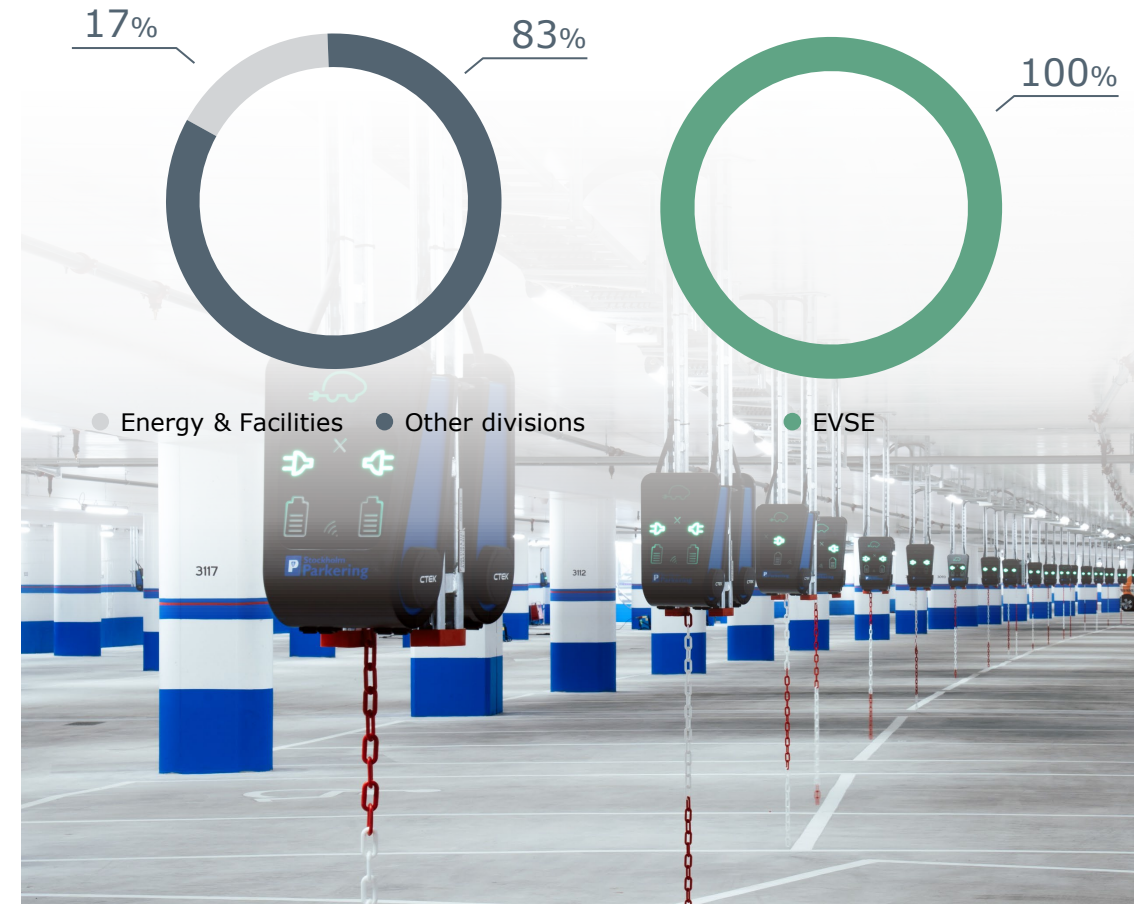


Energy & Facilities

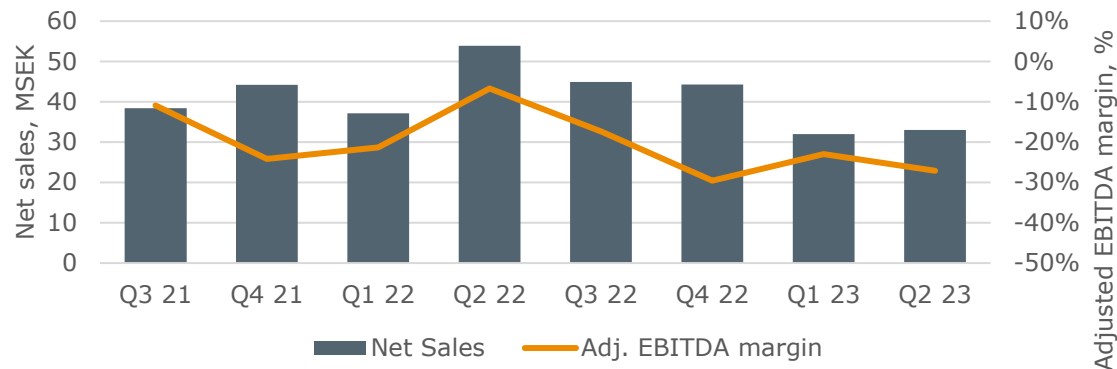
Lower sales due to less activity within the construction sector

- Net sales fell 38% to SEK 33m (54m) in Q2 2023, or -39% adjusted for currency.
- A lower activity within the construction sector have impacted sales negatively.
- Adjusted EBITDA amounted to SEK -9m (-4m), corresponding to a segment margin of -27.1% (-6,7%).
- The priority for the division is to update its product portfolio to participate in Pan-European tenders.

Share of divisional Q2 sales – Energy & Facilities



Net sales and adjusted EBITDA margin

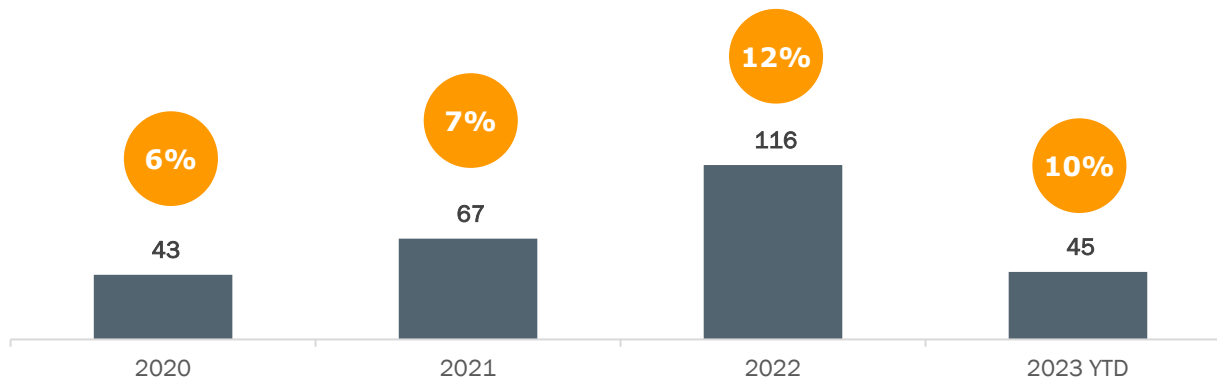


Cash flow and Capex

Improved cash flow from operating activities

- Cash flow from operating activities amounted to SEK 39m (-7m) in the period.
- Capex during the period amounted to SEK -21m (-27m).
- Cash flow after investment activities in the period was SEK 14m (-36m).
- Cash and cash equivalents at the end of the period amounted to SEK 174m (53m). Available credit facilities at the end of period amounted to SEK 100m (200), which of SEK 0m (123) had been utilized.
- Net debt to LTM EBITDA ratio for the period increased to 3.4x, as a result of a lower result.

Capital expenditure development (2020-2023 YTD)



Current trading

Current trading

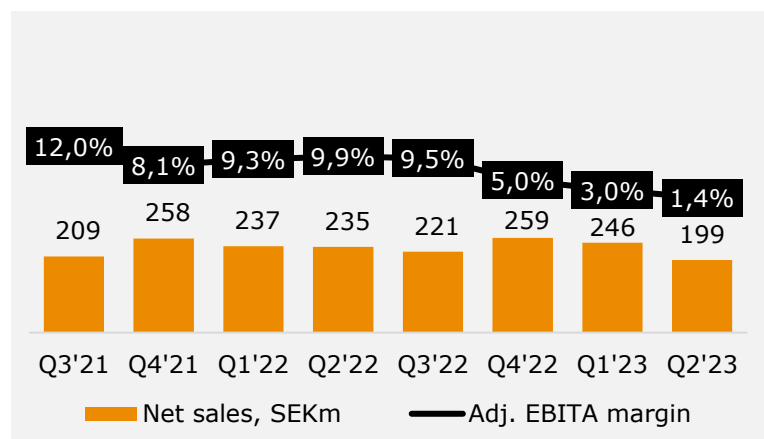
- **Continuous lower market activity**
 - Lower consumer spend, mainly affecting the Aftermarket division, especially during April.
 - Recovery during latter months of the second quarter and the beginning of the third quarter.
 - Less activity in the construction sector in core markets for Energy & Facilities.
 - Continuous update of product portfolio to be able to participate in more Pan-European tenders.
- **Previously initiated activities according to plan**
 - Continuously improved operational cash flow.
 - Further decrease in operational expenses, in line with end of year target.
 - Majority of organization changes completed, with full effect from Q4 2023.
 - Our assessment is that the Group's adjusted EBITA margin will improve in the second half of the year.
- **Significantly lower EVSE volumes within the OE Division for 2023 than anticipated**
 - Mutual Agreement to reduce the number of EV chargers for the North American market.
 - Ongoing move of production from China to Mexico to avoid trade tariffs
- **Two new products to be launched during the third quarter**
 - Nanogrid Air – Wireless load balancing for NJORD GO.
 - V2L – Allows you to use your EV as a power bank, for the North American market.
- **Pending the continuously uncertain market conditions, further mitigation activities will be evaluated**



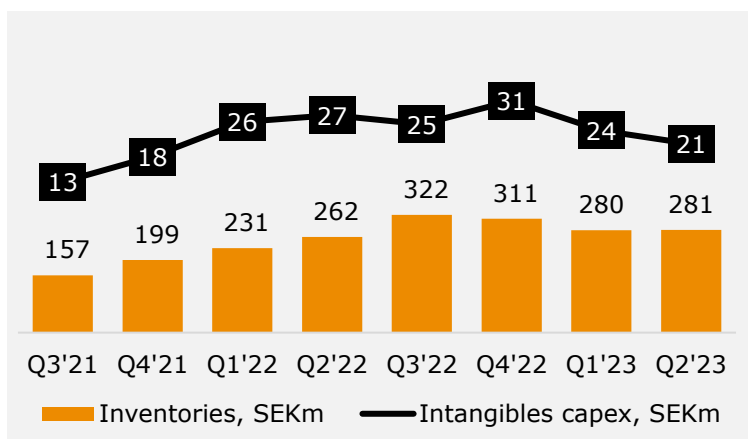
Previously communicated actions to improve profitability and strengthen balance sheet continue as per plan

KPI	End of 2022	Q4 2022 vs Q2 2023 variance	End of 2023 target
Workforce (incl. consultants)	>300	~250	~230
Opex	~SEK 100m (runrate Q4)	~SEK 85m	~SEK 80m (runrate Q4)
Development Cost	~SEK 150m	~SEK 100m (runrate Q2)	~SEK 80m
Cash flow	~SEK -160m	Improved with >SEK 70m	Positive

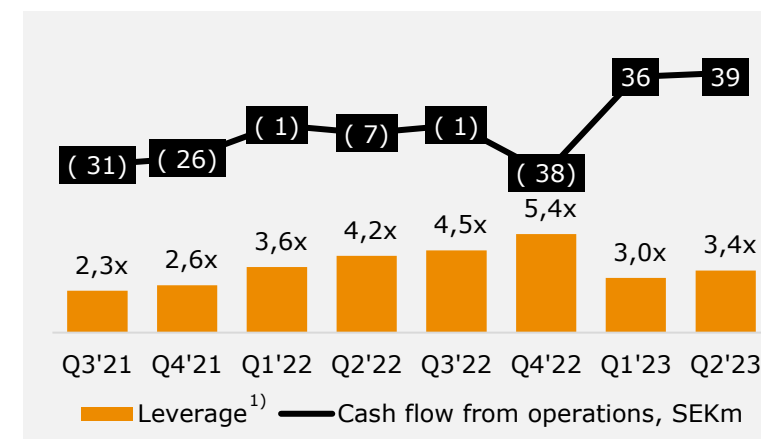
Net sales and Adj. EBITA margin



Inventories and intangibles capex



Leverage and cash flow from operations



Note: 1) Net debt / LTM Adj. EBITDA

A series of approximately 10-12 thin, parallel orange lines that originate from a single point on the left edge of the frame and fan out horizontally across the image, creating a sense of motion and depth.

CTEK | *MAXIMIZING
BATTERY
PERFORMANCE*

CTEK | *MAXIMIZING
BATTERY
PERFORMANCE*



Mid term financial targets

GROWTH



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

MARGIN



Achieve an adjusted EBITA margin of 20% in the medium term

CAPITAL STRUCTURE



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

DIVIDEND POLICY



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

Strategic Direction

AM strategy

- Grow using established relations

Low voltage

- Develop next generation consumer offering
- Grow in professional offering
- Grow in prioritized geographies

OE strategy

- Retain strong position in low voltage client branded offering
- Leverage strong client brand relations to expand offering into EVSE solutions
- Expand Integrated solution customer base

E&F strategy

- Expand geographical footprint
- Extend hardware offering
- Develop back-end platform and service offering
- Achieve profitability from operational scale effects

M&A Strategy

M&A opportunities

- Fragmented EVSE market
- Value chain expansion
- Geographic expansion
- Product expansion

CTEK is an attractive partner

- Powerful brand equity
- Global distribution power

EVSE products sold across all the divisions
i.e. the EVSE growth journey will benefit the entire business

**Seen as a potential
accelerator,
but not obligatory**

