# 2023

ANNUAL REPORT AND
SUSTAINABILITY REPORT


# Contents



The statutory annual report can be found on pages 36-84.
The Corporate Governance Report on pages 15-26 is incorporated into the Statutory Administration Report in the Statutory Annual Report.

# CTEK 2023 – Overview

SEK
**884** million
NET SALES

**49.9** percent
GROSS MARGIN

SEK
**59** million
ADJUSTED EBITA

**-12** percent
ORGANIC GROWTH

**26** percent
EVSE SHARE OF NET SALES

**2.7x**
NET DEBT/ADJUSTED EBITDA

- Net sales decreased 7% to SEK 884 million (950). In organic terms, net sales decreased by 12 percent.
- Adjusted EBITA decreased to SEK 59 million (79), a margin of 6.7% (8.3).
- EBIT stood at SEK -230 million (36) and was charged with non-recurring depreciation of SEK -226 million and items affecting comparability of SEK -37 million (-15).
- Profit after tax was SEK -257 million (3) and earnings per share after dilution amounted to SEK -3.95 (0.05).
- Cash flow from operating activities amounted to SEK 135 million (-47).
- Net debt in relation to adjusted EBITDA was 2.7x (5.4).
- The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2023 financial year.

## PERFORMANCE MEASURES, GROUP

| Amounts in SEK million | 2023 | 2022 |
|---|---|---|
| Net sales | 884.2 | 950.1 |
| Organic growth (%) | -12.3 | -3.5 |
| EVSE share of net sales | 230.2 | 236.9 |
| EVSE share of net sales (%) | 26.1 | 25.6 |
| Gross margin (%) | 49.9 | 50.3 |
| Adjusted EBITDA | 114.9 | 123.1 |
| Adjusted EBITA | 59.0 | 79.2 |
| Adjusted EBITA margin (%) | 6.7 | 8.3 |
| EBIT | -230.4 | 36.2 |
| Operating margin (%) | -26.1 | 3.8 |
| Earnings after tax, for the period | -256.9 | 2.7 |
| Earnings per share after dilution (SEK) | -3.9 | 0.1 |
| Cash flow from operating activities | 135.2 | -46.6 |
| Net debt/Adjusted EBITDA | 2.7x | 5.4x |

For definitions of key figures, see page 90.

# Significant events during the year

## Q1

The Board appointed Ola Carlsson, member of the Board since 2011, as acting CEO from 10 January.

The Board revised one of the financial targets. The adjusted EBITA margin target is now 20 percent instead of the previous target of 25 percent.

Stefan Linder stepped down as a Board member and was replaced by Johan Menckel.

CTEK carried out a guaranteed preferential rights issue of SEK 350 million.

## Q2

CTEK reached a milestone with 100,000 electric vehicle charging points sold.

## Q3

Henrik Fagrenius assumed the role of CEO on 1 September, succeeding acting President and CEO Ola Carlsson, who retains his position as a Board member in the Company.

CTEK signed a contract with one of Europe's largest parking operators. Under this contract, CTEK will supply electric car chargers to an expansive network in Europe.

In agreement with the Company's customer in North America, CTEK decided to reduce the number of customised product versions marketed in North America from two to one version. The version that will be delivered is a 19.2 kW premium version, specially developed by CTEK for the electric car premium segment. The reduced number of product versions in the portfolio resulted in depreciation not affecting cash flow, primarily capitalised development costs of SEK 60 million.

## Q4

EnerSys and CTEK announced a strategic collaboration to deliver high-quality chargers to global markets.

Hans Stråberg, Chairman of CTEK's Board, has informed the Nomination Committee that he is not available for re-election at the next Annual General Meeting. The Nomination Committee proposes that the current Board member Johan Menckel be elected Chairman of the Board.

As of the end of 2023, CTEK conducts the Group's operations in two divisions, Consumer and Professional.


CS ONE

# Message from our CEO

2023 was a year full of challenges for CTEK. I believe we handled these challenges in an exemplary way and, as a result, we're now a stronger company equipped for profitable growth. Net sales for the year amounted to SEK 884 million (950) and the adjusted EBITA margin decreased to 6.7 percent (8.3). Cash flow from current operations was SEK 135 million (-47) and debt-to-equity ratio fell to 2.7x (5.4).

## Cost-saving measures and streamlined organisation

At the start of 2023, my predecessor, Ola Carlsson, launched a cost-cutting initiative aimed at adapting the Company's costs to the uncertain market situation. Thanks to the organisation's excellent efforts, I am pleased to announce that the targets established, which included reducing the Company's total workforce and overheads, were achieved by year-end. Among other things, this resulted in a strong operating cash flow of SEK 135 million (-47) and a reduction in the debt ratio to 2.7x (5.4).

I would also like to thank all the shareholders who supported us in the preferential rights issue we carried out in the first quarter of the year. Your support is hugely important and enables us to continue investing in developing new ground-breaking products.

As of the end of 2023, we're conducting the Group's operations in two divisions, Consumer and Professional. By merging the Original Equipment and Energy & Facilities divisions into the new Professional division, we can achieve a range of synergies in marketing and sales, as well as in development and production. Our offering in EVSE (Electric Vehicle Supply Equipment) is essentially based on the same product platforms, while our customers' purchasing processes are very similar to each other now that we are focusing on larger customers in the business-to-business segment.

I am confident that with the new divisional structure, we are well positioned for profitable growth over time.

## New products and collaborations

I am delighted that in the fourth quarter of 2023 we were able to present the new version of our award-winning destination charger, Chargestorm Connected 3 (CC3). The CC3 comes with market-leading features in ISO15118 (Vehicle to Grid and Vehicle to Everything), i.e. the ability to deliver energy back to the grid from the electric car, as well as an upgrade on already robust safety systems. Deliveries of the CC3 to Sweden and the UK will begin in the second quarter of the year, followed by deliveries to Germany, a new EVSE market for CTEK, in the second half of the year.

My assessment is that the higher requirements for charging infrastructure (both regarding safety and the ability to deliver energy back to the power grid) will be to CTEK's advantage, with increased technology content in the products.

In Low Voltage, in 2023 we announced a new partnership with the battery manufacturer EnerSys, specifically the Odyssey brand, in which CTEK will deliver customised chargers for the European and North American markets. We are very proud that a battery manufacturer has chosen CTEK as a partner, which testifies to our quality.


## CTEK in 2024 and beyond

During my initial time as CEO of CTEK, the focus was on completing the cost-cutting measures initiated by my predecessor and creating stability in the Company.

In collaboration with the management, I defined three phases to clarify and illustrate CTEK's continued journey forward.

**Phase 1: Stability**
- Adjust the Company's costs to a level that is sustainable over time.
- Win deals that do not require major investment.

**Phase 2: Profitability**
- Organic growth with geographic expansion without major investment.
- Focus on product development with short time to market.

**Phase 3: Profitable growth**
- More aggressive geographic expansion, including extended product expansion.
- Investigate acquisition opportunities.

I now assess that we have reached a cost level that is sustainable over time and are therefore approaching the end of phase 1. Given this, I look forward to continuing to work on profitability and growth in 2024.

### Long history of technology leadership and innovation

During CTEK's roughly 25-year history, we have established a worldwide distribution network as well as close relationships with most of the world's largest vehicle manufacturers. In addition, we have a history of innovation and technology leadership that has generated a leading product portfolio in Low Voltage and EVSE. This creates opportunities for expansion over time with strong, sustainable profitability.

**Henrik Fagrenius**, President and CEO

# This is CTEK

CHARGESTORM CONNECTED 2

## BACKGROUND

CTEK is a leading global supplier of battery chargers for various vehicles in the premium segment (Low Voltage) and one of Sweden's largest suppliers of chargers and accessories for electric vehicle charging (EVSE). 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 currently 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, highly skilled employees and ongoing collaboration between the Company's three centres of excellence are key to CTEK's technology leadership, enabling 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 vehicles in the premium segment (Low Voltage) and a leading supplier of chargers, load balancing systems, back-end solutions and accessories for electric vehicle charging (EVSE).

The European EVSE market 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 Low Voltage market 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 Low Voltage, with an estimated 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 27-34.

CHARGESTORM CONNECTED 2

## DIVISIONS

CTEK's operations are conducted under two divisions, which also represent accounting segments, which are based on the Company's defined consumer groups and enable efficient management of the operations. The divisions share Group-wide functions, such as IT, HR, product development, marketing and finance.

### Consumer

Under the Consumer division, CTEK primarily offers premium battery chargers in the Low Voltage segment, as well as electric vehicle chargers in EVSE. CTEK is a market pioneer in Consumer, with high-tech solutions. In Consumer, a wide range comprising over 200 products is offered for numerous 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.

Net sales for Consumer fell by 6 percent to SEK 531 million (566). In organic terms, net sales decreased by 12 percent.

Segment profit (adjusted EBITDA) was SEK 208 million (196), a margin of 39.2 percent (34.6). The margin increase was attributable to previously effected price increases, improved supply chain predictability and lower shipping costs than the previous year, as well as effected cost reductions.

CS FREE

## Professional

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 Professional division offers more than 200 different EVSE and Low Voltage products, comprising electric vehicle chargers and accessories as well as premium battery chargers. These products are sold to CTEK's customers in the division, which are primarily vehicle manufacturers, electrical wholesalers and property and parking lot owners. Sales also occur in power sports, integrated solutions and other battery-powered applications.

Net sales fell by 2 percent to SEK 352 million (359). Organic growth decreased by 7 percent.

Segment profit (adjusted EBITDA) was SEK -28 million (-2), a margin of -7.8 percent (-0.4).

## CENTRAL

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

Adjusted for items affecting comparability, an EBITDA result of SEK -66 million (-71) was reported in 2023.


CHARGESTORM CONNECTED 2

### SALES AND MARGIN PER SEGMENT

| Amounts in SEK million | 2023 | 2022 |
|---|---|---|
| **Consumer** | **530.8** | **566.4** |
| Of which EVSE | 10.7 | 15.7 |
| Of which Low voltage | 520.1 | 550.8 |
| | | |
| Segment profit (adjusted EBITDA) | 208.2 | 195.9 |
| Adjusted EBITDA margin (%) | 39.2 | 34.6 |
| | | |
| **Professional** | **352.2** | **358.9** |
| Of which EVSE | 219.5 | 221.3 |
| Of which Low voltage | 132.7 | 137.6 |
| | | |
| Segment profit (adjusted EBITDA) | -27.6 | -1.6 |
| Adjusted EBITDA margin (%) | -7.8 | -0.4 |
| | | |
| **Central** | **1.2** | **24.8** |
| | | |
| **Net sales, Group** | **884.2** | **950.1** |
| **Total segment profit** | **180.7** | **194.3** |
| Central, excluding items affecting comparability | -65.7 | -71.2 |
| **Adjusted EBITDA, Group** | **115.0** | **123.1** |
| | | |
| Depreciation, non-M&A related fixed assets | -55.9 | -43.9 |
| **Adjusted EBITA, Group** | **59.1** | **79.2** |
| Impairments, non-M&A related fixed assets | -60.0 | - |
| Items affecting comparability | -36.9 | -14.9 |
| **EBITA, Group** | **-37.8** | **64.3** |
| Depreciation, M&A-related fixed assets | -26.6 | -28.1 |
| Impairments, M&A-related fixed assets | -165.9 | - |
| **EBIT, Group** | **-230.4** | **36.2** |
| Financial items – net | -45.6 | -14.8 |
| **Profit before tax, Group** | **-276.0** | **21.3** |

### GROWTH, CONSUMER

| Amounts in SEK million | 2023 | 2022 |
|---|---|---|
| Organic growth (%) | -12.1 | -17.9 |
| Currency effect (%) | 5.8 | 5.9 |
| **Sales growth (%)** | **-6.3** | **-12.0** |

### GROWTH, PROFESSIONAL

| Amounts in SEK million | 2023 | 2022 |
|---|---|---|
| Organic growth (%) | -6.6 | 34.3 |
| Currency effect (%) | 4.7 | 8.5 |
| **Sales growth (%)** | **-1.9** | **42.8** |

## STRATEGY

Strategic targets are divided into CTEK's two divisions, Consumer and Professional. Both divisions have initiatives for achieving growth in EVSE and Low Voltage.

### Consumer

#### Leveraging established relationships and a strong brand to achieve growth in EVSE

CTEK intends to leverage its market position and customer relationships in Low Voltage to achieve growth in EVSE. Particular focus is given to sales via online channels and the portable electric car charger NJORD GO.

#### Expanding the next-generation consumer offering in Low Voltage

CTEK aims to leverage the innovative CS FREE series to expand its next-generation consumer offering. CS FREE is the first portable Low Voltage charger that can charge without a power supply. CTEK believes the CS FREE series will help to reach new applications and end customers.

CTEK is also meeting new customer needs with the launch of the 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 in Low Voltage through an expanded product range

The product range for professional users includes some of CTEK's most powerful and high-tech chargers, and we estimate its current penetration rate to be relatively low. As a result, we plan 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 Low Voltage

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

### Professional

#### Maintaining a strong position in Low Voltage 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. We attach great importance to maintaining established relationships with vehicle manufacturers, while also evaluating new potential customer relationships. The continued transition to electric vehicles is necessary for us to maintain existing relationships and create new ones. This means that continuing to support vehicle manufacturers through the EVSE offering is an important part of CTEK's strategy. CTEK also intends to expand our main focus to more vehicle categories through an extended product range and the launch of new products.

#### Develop existing contracts and secure new ones in EVSE and Low Voltage

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

#### Geographical expansion in destination charging in collaboration with partners

Going forward, CTEK will target its EVSE portfolio at destination charging and portable charging, focusing on major business-to-business customers who are able to take responsibility for parts of the support themselves. This means that CTEK will choose not to focus on smaller deals, in which CTEK has previously taken greater responsibility for support.

With the launch of the new destination charger Chargestorm Connected 3, CTEK notes that the Company has a market-leading product portfolio tailored specifically for destination charging and intends to launch the product in Sweden, the UK and Germany in 2024.


## 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.

# Corporate Governance Report


CHARGESTORM
CONNECTED 3

## 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 2023 financial year.

## Shareholders

At year-end 2023, CTEK had 21,573 shareholders with a share capital of 69,976,275 ordinary shares. The quota value per share is SEK 1.0. The largest owners as of 31 December 2023 were Investmentaktiebolaget Latour with 33 percent of the capital and votes, Fjärde AP-fonden with 9.8 percent of the capital and votes and AMF Fonder with 8.5 percent of the capital and votes.

## General Meeting

Under the Swedish Companies Act (2005:551), the Annual General Meeting is the company's highest decision-making body. At the Annual 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 2023 Annual General Meeting was held on 11 May 2023 at CTEK's premises in Vikmanshyttan.

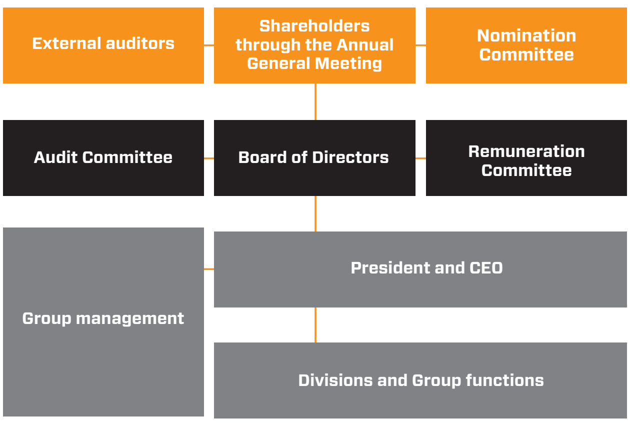
**Resolutions approved at the 2023 Annual General Meeting included:**

- Adoption of profit and loss statements for the Parent Company and the Group 2022.
- 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 2022 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 110,856 Series 2023/2026 warrants.
- Decision on authorisation for the Board to decide on the issue of shares.

## Extraordinary General Meeting

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

### 2024 Annual General Meeting

The Annual General Meeting must be held no later than six months after the close of the financial year. The meeting will be held on Wednesday 15 May at 15:00 at Convendum, Vasagatan 16, 111 20 Stockholm. 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 Annual 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 Annual General Meeting no later than the date stipulated in the notice convening the meeting. Shareholders may attend the Annual 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 Annual 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 Annual 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 Annual General Meeting.

### Nomination Committee

Companies that apply the Code shall have a Nomination Committee. Under the Code, the Annual 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 2023 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 2024 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 [Nomination Committee], Rostugnsvägen 3, 776 70 Vikmanshyttan, Sweden.

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 Annual 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 Annual 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 2023, 21 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 Annual General Meeting, who are presented in the section "Members of the Board of Directors."

### Audit Committee

The Company has an Audit Committee consisting of five members: Pernilla Valfridsson (Committee Chair), Hans Stråberg, Björn Lenander, Johan Menckel 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 Annual General Meeting's resolution on the election of auditors. In 2023, the Audit Committee held 7 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 2023, 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 comprised 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. During the year, the Committee held eight 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 Annual 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 Annual General Meeting. For further information, please see the full description of the guidelines in the Statutory Administration 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 current auditor is KPMG AB, with Henrik Lind 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 2024 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 2023

| Name | Remuneration committee meetings | Audit Committee me-etings | Board meetings |
|---|---|---|---|
| Hans Stråberg | 8/8 | 7/7 | 21/21 |
| Ola Carlsson | - | 7/7 | 21/21 |
| Daniel Forsberg* | - | - | 19/21 |
| Michael Forsmark | 8/8 | - | 21/21 |
| Björn Lenander | - | 7/7 | 19/21 |
| Mats Lind* | - | - | 21/21 |
| Johan Menckel** | 6/8 | 5/7 | 15/21 |
| Stefan Linder*** | 1/8 | - | 2/21 |
| Jessica Sandström | - | - | 21/21 |
| Pernilla Valfridsson | - | 7/7 | 20/21 |

*) The Company does not require employee representatives to attend Board meetings.
**) Johan Menckel was elected to the Board, the Remuneration Committee and the Audit Committee 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:** 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. Acting President and CEO, CTEK AB. CEO, Nobia Production Sweden AB. Deputy CEO, CTEK Sweden AB. Executive Vice President Product Supply, Nobia AB.

**Shareholding in the Company:** Ola Carlsson holds 221,617 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 of Saturnus AB, Räckesbutiken Sweden AB, Pet Pawr Group AB, Board member of 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 Tormek 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 203,015 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. in Industrial Economics, Royal Institute of Technology (KTH).

**Other current positions:** Chairman of the Board of Nederman Holding Aktiebolag, Nord-Lock International AB, Swegon Group 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 30,000 shares 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, 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 in several of Clas Ohlson Aktiebolag's subsidiaries as well as Nimlas Group AB and Systembolaget.

**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 | 0.1 | - | - | 0.3 |
| Mats Lind, Board member* | - | - | - | - | - |
| Johan Menckel | 0.3 | 0.1 | - | - | 0.3 |
| Stefan Linder, Board member** | - | - | - | - | - |
| Jessica Sandström, Board member | 0.3 | - | - | - | 0.3 |
| Pernilla Valfridsson, Board member | 0.3 | 0.1 | - | - | 0.4 |
| **Total** | **2.3** | **0.4** | **-** | **-** | **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 and thus has not received any remuneration for the 2023 financial year.

# Group management

### HENRIK FAGRENIUS

Born 1971. President and CEO since 2023.

**Education:** Master's degree in mechanical engineering from the Faculty of Engineering at Lund University. Bachelor's degree in business administration at Stockholm University.

**Other current positions:** -

**Prior positions (last five years):** President EMEA, Dometic AB. President and CEO Leax Group.

**Shareholding in the Company:** Henrik Fagrenius holds 150,000 shares and 24,000 warrants in the Company.

### THOM MATHISEN

Born 1963. Senior Vice President 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 4,480 shares and 21,714 warrants in the Company

### HENK LUBBERTS

Born 1960. President Professional Division since 2023.

**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 34,136 shares and 23,500 warrants in the Company.

### EVA MARTINSSON

Born 1968. Senior Vice President HR since 2016.

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

**Other current positions:** Board member of Promål AB. Alternate Board member of Miljönären Franchise 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 83,763 shares and 48,007 warrants in the Company.

### STIG MATHISEN

Born 1977. Senior Vice President 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 48,007 warrants in the Company.

### FREDRIK UHRBOM

Born 1971. President Consumer Division since 2024.

**Education:** Master's degree in business administration, international focus at Dalarna University, Stockholm University and Regensburg University of Applied Sciences.

**Other current positions:** Co-owner and partner BuddyCompany AB.

**Prior positions (last five years):** Country Manager Sweden, Clas Ohlson AB. Sales and Marketing Director Coop Sverige AB.

**Shareholding in the Company:** Fredrik Uhrbom holds 20,000 shares in the Company.

### MARCUS KORSGREN

Born 1992. Senior Vice President Strategy and Communication since 2021.

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

**Other current positions:** Board member of Hinz Holding AB.

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

**Shareholding in the Company:** Marcus Korsgren holds 606 shares and 21,714 warrants in the Company.

### STEVEN JENKINS

Born 1971. Senior Vice President CTO since 2023.

**Education:** Degree in Computer Science at Bradford University.

**Other current positions:** -

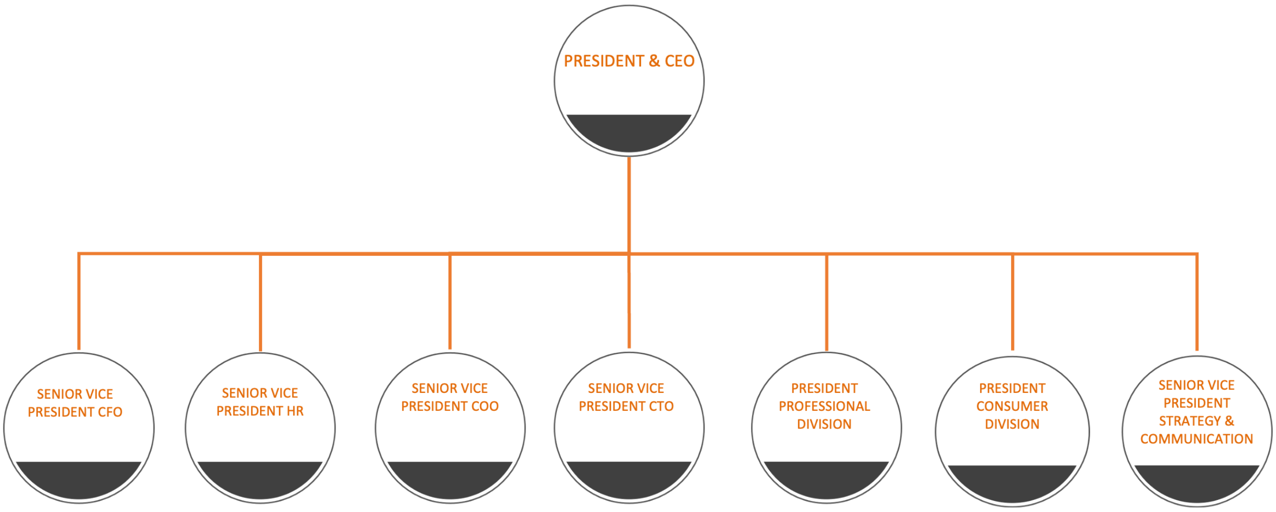
**Prior positions (last five years):** CTO/ Executive Vice President of Veoneer Active Safety Integration. Leading roles in product development at Motorola Mobility and Configura.

**Shareholding in the Company:** Steven Jenkins holds 1,000 warrants in the Company.

## Remuneration of CEO and other executive management

| SEK million | Base salary | Variable remuneration | Other benefits | Pension costs | Total |
|---|---|---|---|---|---|
| Henrik Fagrenius, CEO* | 1.2 | 0.5 | 0.0 | 0.5 | 2.3 |
| Ola Carlsson, Acting CEO** | 2.5 | 1.3 | 0.0 | 0.8 | 4.6 |
| Jon Lind, CEO*** | 2.7 | 0.4 | 0.1 | 0.6 | 3.8 |
| Other executive managers | 12.1 | 2.8 | 0.9 | 3.0 | 18.7 |
| **Total** | 18.5 | 5.0 | 1.0 | 4.9 | 29.5 |

*) Henrik Fagrenius was employed as CEO on 1 September 2023.
**) Ola Carlsson Acting CEO, 10 January - 31 August 2023.
***) Jon stepped down as CEO of CTEK on 10 January 2023.
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

KPMG AB was elected auditor at the 2023 Annual General Meeting for the period until the 2024 Annual General Meeting. KPMG AB has been CTEK AB's auditor since 2023. Henrik Lind (born 1979) is auditor in charge. Henrik Lind is a certified public accountant and a member of FAR (the Swedish professional organisation for certified accountants)

KPMG's office address is Vasagatan 16, 101 27 Stockholm, Sweden

# Sustainability Report

# CTEK's sustainability work

## CTEK's sustainability strategy

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.

Since 2022, CTEK has been working towards the 1.5 degree target set by the United Nations (Paris Agreement), and has joined the Science Based Targets initiative. CTEK has thus committed to reducing its Scope 1 and 2 emissions by 42 percent by 2030 (based on 2021 emissions).

CTEK has also committed to following and working towards the ten principles established by the United Nations (UN Global Compact) with respect to:

- Human rights
- Labour
- Environment
- Anti-corruption

## New technology supports the green transition

In 2023, CTEK launched a new version of the award-winning Chargestorm Connected 3 electric car charger which comes with market-leading features. These include Vehicle-to-grid and Vehicle-to-X, which make it possible to use the energy from the electric car and send it back to the electricity grid or to the user's home. This functionality is perfect, for instance, for operating the stove and washing machine at times when the load on the electricity grid is at its highest, which also means that prices are at their highest.

In a future society where more and more functions, not least electric cars, require a lot of energy and place a large load on the electricity grid, smart functionality like this will be crucial in enabling us to carry out the transition.

## 2024 and beyond

In 2024, significant focus will be placed on preparing CTEK for future sustainability reporting in compliance with the EU's Corporate Sustainability Reporting Directive (CSRD). The CSRD is a new EU directive aimed at ensuring that companies report the impact of their social and environmental activities. Its aims are to secure transparency concerning sustainability and create better conditions to enable the EU to meet its targets for net zero emissions by 2050. A double materiality analysis will be carried out during the year, and will serve as a basis for reporting on the focus areas. CTEK's first report in accordance with the CSRD will be included in the Annual Report for the 2025 financial year.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE GLOBAL COMPACT
WE SUPPORT


CHARGESTORM CONNECTED 3

# 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 areas of CTEK.

- **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.

- **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 Agenda 2030.

# E(nviromental)SG

CTEK reports 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.

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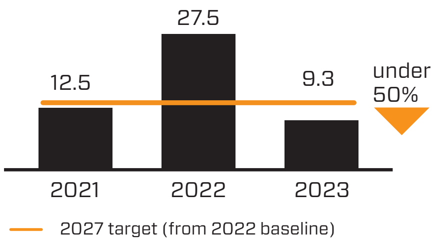
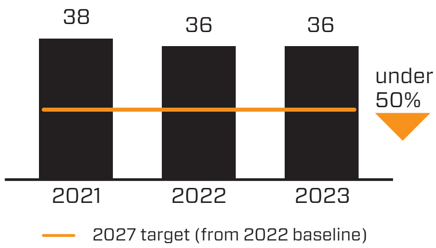
**Scope 1**
tonnes $CO_2e$




**Scope 2**
tonnes $CO_2e$




| Risk | Comment | Action |
|---|---|---|
| Risk of the Company's carbon footprint increasing. | 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 in 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 strong 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 210 employees, 55 of whom were women. At that time, CTEK had 28 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, 24 nationalities were represented among the 210 employees.

### Sick leave

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

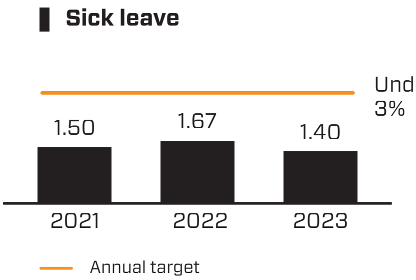
### Health and safety

We are pleased to report that in 2023 CTEK had:

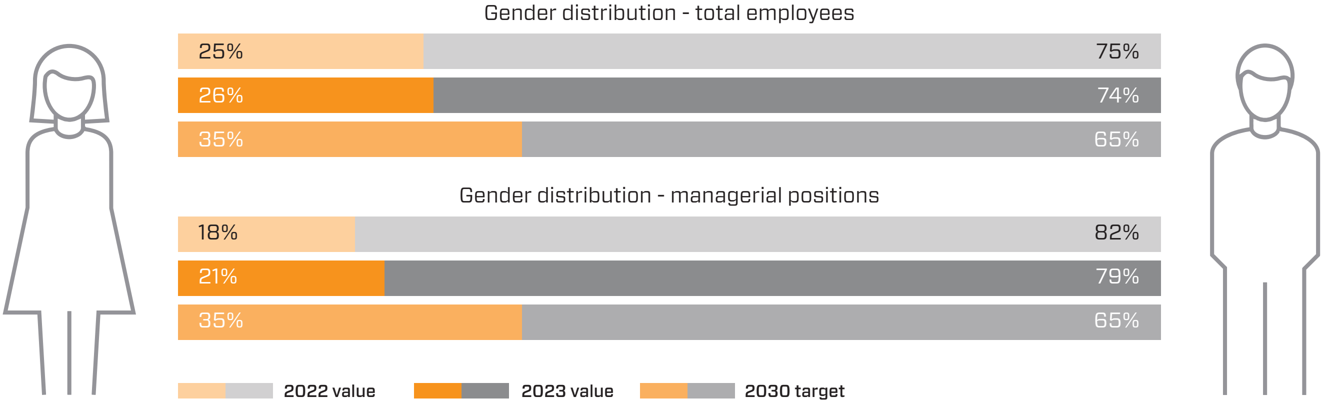
- 0 incidents
- 0 accidents
- 0 deaths in the workplace

### Employee satisfaction

We continue to see high levels of employee satisfaction at CTEK.

**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.

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

CTEK's training courses in the field of business ethics continued during 2023. The previously identified risk groups (e.g. management, sales, marketing, purchasing, HR and all new employees) participated in mandatory training in business ethics.

## 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 2023, no cases of corruption were reported or suspected for 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 2023, there were no reported or suspected antitrust cases for 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 2023, no cases of money laundering were reported or suspected for 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.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### 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 2023, no cases of conflicts of interest were reported or suspected for 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 2023, no cases of non-compliance were reported or suspected for 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 rules as required under tax regulations.

In 2023, no cases of non-compliance were reported or suspected for the CTEK Group. 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 | 2022 value | 2023 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 in the Company. | In 2023, 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 2023 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

To the Annual General Meeting of CTEK AB (publ) Corporate Registration Number 559217-4659

### Mandate and responsibilities

The Board of Directors is responsible for the 2023 Sustainability Report on pages 27–34 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, 5 April 2024
KPMG AB

**Henrik Lind**
Certified public accountant

# Financial statements


NJORD GO

# Statutory Administration 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 2023 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 trademark. CTEK's main customer group is distributors, retailers, vehicle manufacturers, electricians, property owners and charging point operators. 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 | 33% |
| Fjärde AP-Fonden | 10% |
| AMF Pension & Fonder | 9% |
| Other owners | 48% |

## 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 immediate future, with continued strong relationships with old customers as well as development of new customers.

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. Continued low activity in the construction industry in the Nordics results in lower demand for destination chargers. Uncertainty over future economic and price developments is high due to the current global situation, and the future course of events is unpredictable. For information on other risks, please see Note 2.

## Significant events during the financial year

- The Board appointed Ola Carlsson, member of the Board since 2011, as acting CEO from 10 January.
- The Board revised one of the financial targets. The adjusted EBITA margin target is now 20 percent instead of the previous target of 25 percent.
- CTEK carried out a guaranteed preferential rights issue of SEK 350 million.
- Stefan Linder stepped down as a Board member and was replaced by Johan Menckel.
- Henrik Fagrenius assumed the role of CEO on 1 September, succeeding acting President and CEO Ola Carlsson, who retains his position as a Board member in the Company.
- CTEK decided, in agreement with the Company's customer in North America, to reduce the number of customised product versions marketed in North America from two to one version. The version that will be delivered is a 19.2 kW premium version, specially developed by CTEK for the electric car premium segment. The reduced number of product versions in the portfolio resulted in depreciation not affecting cash flow, primarily capitalised development costs of SEK 60 million.
- Impairment of goodwill and other intangible fixed assets not affecting cash flow of SEK 166 million, which constitutes the total amount of intangible assets attributable to the acquisition of Chargestorm in 2018.
- CTEK has appointed Steven Jenkins as the new Senior Vice President CTO. The position of CTO is newly established at CTEK and entails overall responsibility for the entire production development organisation. Steven assumed his position in November 2023. With this position, he also became a member of Group management.
- CTEK has appointed Fredrik Uhrbom as President Consumer Division for the new Consumer division, formerly Aftermarket. Fredrik assumed his position in January 2024.
- The Nomination Committee proposes that the current Board member Johan Menckel be elected Chairman of the Board to succeed Hans Stråberg, who has declined to stand for re-election.

## Significant events after the close of the financial year

- There are no significant events to report.

### 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 7-14 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 27-34 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 15-26 of this Annual Report and is incorporated into the Statutory Administration 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 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 remuneration. 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 remuneration 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 Annual 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.

### Proposal for new guidelines for the Annual General Meeting 2024

Proposals for new guidelines will be submitted for approval at the Annual General Meeting of 15 May 2024. Material changes are disclosed below.

### Short-term and long-term variable cash remuneration

Fulfilment of criteria for the payment of short-term variable cash remuneration must be measurable during a period of one year. The variable cash remuneration may amount to no more than 80 percent of the total fixed cash remuneration during the measurement period for such criteria.

Long-term variable cash remuneration must be measurable over a period of three years. Such remuneration may amount to a maximum of 60 percent of the total fixed cash remuneration for a CEO, and 40 percent for executive managers. Outcome after tax must be invested by the CEO and executive managers in CTEK shares on the market. Such shares must be retained for 3 years unless the Board approves otherwise.

### Other benefits

Other benefits may include, but are not limited to, medical insurance and car benefit as per Company guidelines. The value of such benefits may amount to a maximum of 15 percent of the total fixed cash remuneration.

### Termination of employment

In the event of termination on the part of the Company, the notice period must not exceed six (6) 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 12 months for the CEO and 9 months for other executive managers. The cash remuneration 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 six (6) months, without entitlement to severance pay.

### Criteria for distribution of short-term and long-term variable cash remuneration, etc.

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 the assessment if it regards the CEO's variable cash remuneration. If it regards other executives' variable cash remuneration, the CEO is responsible for the assessment. If it regards financial targets, the assessment shall be based on the latest financial information published by the Company. The Board must have the option, in accordance with law or agreement and with the restrictions that may follow therefrom, to fully or partially reclaim variable remuneration that has been paid out on incorrect grounds.

# CTEK shares

## Shares

At the beginning of 2023, the Company had 49,983,054 shares. The number of shares and votes in CTEK AB (publ) changed during the year due to new shares having been issued in the preferential rights issue that was decided on at the extraordinary General Meeting of 3 March 2023. Through the new issue, the number of outstanding shares and votes increased by 19,993,221 from 49,983,054 to 69,976,275. The share capital increased by SEK 19,993,221, from SEK 49,983 054 to SEK 69,976,275.

The total number of shares issued at the end of the year was 69,976,275 shares.

## Market capitalisation and share price

CTEK's share price on 31 December 2023 was SEK 21, a market capitalisation of SEK 1,470 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 2023 financial year, it is proposed that no dividend be paid.

## Ownership structure

At the end of the period, the Company had a total of 21,573 shareholders. The table below shows the ten largest shareholders and their holdings as of 31 December 2023.

| Owner | Shares | Capital & votes |
|---|---|---|
| INVESTMENTAKTIEBOLAGET LATOUR | 23,114,799 | 33.0 |
| FJARDE AP-FONDEN | 6,859,345 | 9.8 |
| SKIRNER AB | 4,200,000 | 6.0 |
| AMF TJÄNSTEPENSION AB | 3,115,000 | 4.5 |
| ATHANASE INDUSTRIAL PARTNERS II LIMITED PARTNERSHIP | 3,039,004 | 4.3 |
| AMF AKTIEFOND SMÅBOLAG | 2,823,800 | 4.0 |
| Avanza Pension | 2,658,021 | 3.8 |
| SEB LIFE INTERNATIONAL ASSURANCE | 1,814,244 | 2.6 |
| TREDJE AP-FONDEN | 1,243,259 | 1.8 |
| MOVESTIC LIVFÖRSÄKRING AB | 784,242 | 1.1 |
| **Total, 10 largest shareholders** | **49,651,714** | **71.0** |
| Other | 20,324,561 | 29.0 |
| **Total** | **69,976,275** | **100.0** |

# Financial overview of the Group

| SEK million | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| Net sales | 884.2 | 950.1 | 921.8 | 706.3 | 635.4 |
| Operating earnings | -230.4 | 36.2 | 81.8 | 142.7 | 68.3 |
| Operating margin, % | -26 | 4 | 9 | 20 | 11 |

# Financial development

### Net sales

Net sales for the full year fell by 7 percent to SEK 884 million (950). In organic terms, net sales decreased by 12 percent. Deliveries of products in Electric Vehicle Supply Equipment (EVSE) increased to SEK 230 million (237) and accounted for 26 per cent (26) of sales for the year.

### Earnings

The gross margin decreased by 0.4 percentage points to 49.9 percent (50.3), as a result of a slightly changed product mix with a marginally larger share of EVSE products in the Professional division.

The full financial year was charged with impairment of goodwill and other intangible fixed assets not affecting cash flow of a total of SEK 226 million (-), of which SEK 166 million is the total amount of intangible assets attributable to the acquisition of Chargestorm in 2018. The impairments include SEK 60 million (-) pertaining to a reduced number of product variants for the North American market. Impairment totalling SEK 226 million did not impact the adjusted EBITA measure.

Adjusted EBITA was SEK 59 million (79), an adjusted EBITA margin of 6.7 percent (8.3). The earnings trend is mainly explained by lower volumes and a slightly changed product mix.

Adjusted EBIT was SEK 32 million (51), a margin of 3.7 percent (5.4).

EBIT was SEK -230 million (36), a margin of -26.1 percent (3.8). The full year included the above-mentioned impairment and items affecting comparability of SEK -37 million (-15). The latter is primarily attributable to the reorganisation implemented during the year. See Note 8 for a specification of items affecting comparability.

### Financial income and expenses

Net financial income and expenses were SEK -46 million (-15) for the full year. The lower net result is primarily due to a higher interest rate year on year as well as negative currency effects on internal loans.

### Tax

Tax for the year was positive at SEK 19 million (-19), which is due to the negative result.

### Consolidated profit

The Group's profit after tax for the year was SEK -257 million (3). The strongly negative result is explained by impairment of non-recurring intangible fixed assets totalling SEK 226 million (-) and items affecting comparability of SEK -37 million (-15). Earnings per share after dilution were SEK -3.95 (0.05).

### Cash flow and cash equivalents

Cash flow from current operations was SEK 135 million (-47) for the full year, which is largely attributable to activities for reducing capital tied up in inventory and accounts receivable as well as the cost-reducing activities conducted during the year. Cash flow from investing activities was SEK -83 million (-116). Cash flow from financing activities was SEK 135 million (115), and mainly consists of the capital contribution from the new issue and repayment of used overdrafts. Cash and cash equivalents at the end of the year amounted to SEK 192 million (10). The available cheque facility at the end of the year was SEK 100 million (200), of which SEK 0 million (181) has been utilised.

### Investments

CTEK's investments totalled SEK -83 million (-116), of which SEK -10 million (-9) related to investments in tangible assets and SEK -75 million (-109) related to investments in intangible assets attributable to deferred development costs for current and future products.

### Equity and indebtedness

CTEK's balance sheet total was SEK 1,516 million as of 31 December 2023 (1,708). Equity increased by SEK 73 million to SEK 735 million during the year (662). This is mainly attributable to the completed new issue of SEK 350 million before issue costs during the first quarter of the year, as well as impairment of intangible fixed assets not affecting cash flow of SEK 226 million during the third quarter. Interest-bearing net debt was SEK 305 million at the end of the year (667). Net debt in relation to adjusted EBITDA during the last 12-month period was 2.7x, as compared with 5.4x as of 31 December 2022.

### Parent company

The parent company of the Group is CTEK AB (publ).
Group support functions in CTEK are reported in CTEK AB. The parent company does not sell goods and services to external customers. The parent company's profit was SEK -45 million (-20), which primarily comprises interest costs, as well as the salary of the CEO and remuneration to the Board. Equity was SEK 1,659 million (1,375) at year end.

# Proposed appropriation of the Company's profit

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

| | |
|---|---|
| Share premium reserve | 1,648,469,021 |
| Retained earnings | -14,568,412 |
| Earnings for the financial year | -45,210,156 |
| **Total** | **1,588,690,453** |

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

| | |
|---|---|
| **Balance carried forward** | **1,588,690,453** |

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2023 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 | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **Operating income** | | | |
| Net sales | 4 | 884.2 | 950.1 |
| Other operating income | 7 | 13.8 | 6.8 |
| **Total revenues** | | **898.0** | **956.9** |
| | | | |
| **Operating expenses** | | | |
| Goods for resale | | -443.0 | -472.0 |
| Other external expenses | 5 | -150.8 | -179.9 |
| Personnel costs | 6 | -182.5 | -179.7 |
| Depreciation, amortisation and impairment of tangible and intangible assets | 12, 13, 14 | -308.5 | -72.0 |
| Other operating expenses | 7 | -6.8 | -2.1 |
| Items affecting comparability | 8 | -36.9 | -14.9 |
| **Total expenses** | | **-1,128.4** | **-920.7** |
| | | | |
| **Operating earnings** | | **-230.4** | **36.2** |
| | | | |
| **Net financial items** | | | |
| Financial income | 9 | 3.7 | 8.9 |
| Financial expenses | 9 | -49.3 | -23.7 |
| **Financial items – net** | 9 | **-45.6** | **-14.8** |
| | | | |
| **Profit before tax** | | **-276.0** | **21.3** |
| Tax on net profit for the year | 10 | 19.2 | -18.6 |
| **Earnings for the financial year** | | **-256.9** | **2.7** |
| | | | |
| Earnings, SEK per share before dilution | 11 | -3.95 | 0.05 |
| Earnings, SEK per share after dilution | 11 | -3.95 | 0.05 |

# Consolidated statement of other comprehensive income

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **Earnings for the financial year*** | | -256.9 | 2.7 |
| | | | |
| **Other comprehensive income** | | | |
| **Items that can be reclassified as profit or loss for the years** | | | |
| Exchange rate differences upon translation of foreign subsidiaries | | 0.5 | -0.3 |
| **Other comprehensive income for the year, after tax** | | **0.5** | **-0.3** |
| **Comprehensive income for the year, after tax** | | **-256.4** | **2.4** |
| **Comprehensive income for the year attributable to** | | | |
| Parent Company shareholders | | -256.4 | 2.4 |
| **Comprehensive income for the year*** | | **-256.4** | **2.4** |

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

# Consolidated statement of financial position

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| **Intangible assets** | 12, 13 | | |
| Goodwill | | 342.4 | 455.8 |
| Trademark | | 234.0 | 259.5 |
| Patents, licences | | 4.8 | 6.2 |
| Deferred development costs | | 177.8 | 199.3 |
| Technology | | 59.4 | 83.6 |
| Customer Relations | | 63.5 | 92.4 |
| **Total intangible assets** | | **881.9** | **1,096.8** |
| | | | |
| **Tangible assets** | | | |
| Buildings and land | 14 | 1.2 | 1.5 |
| Equipment, tools and installations | 14 | 25.7 | 25.7 |
| Right-of-use assets | 24 | 11.9 | 16.6 |
| **Total, tangible assets** | | **38.8** | **43.8** |
| | | | |
| **Other fixed assets** | | | |
| Deferred tax liabilities | 10 | 15.4 | 6.8 |
| **Total, other fixed assets** | | **15.4** | **6.8** |
| | | | |
| **Total, fixed assets** | | **936.1** | **1 147.4** |
| | | | |
| **Current assets** | | | |
| Inventories | 15 | 221.5 | 311.3 |
| Accounts receivable | 16, 17 | 143.6 | 194.4 |
| Current tax assets | | 1.8 | 0.7 |
| Other short-term receivables | 16 | 7.1 | 8.4 |
| Prepaid expenses and accrued income | 18 | 13.9 | 35.5 |
| Cash and cash equivalents | | 192.3 | 10.0 |
| Assets held for sale | 29 | - | 0.7 |
| **Total, current assets** | | **580.3** | **560.9** |
| **TOTAL ASSETS** | | **1,516.4** | **1,708.3** |

# Consolidated statement of financial position

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **EQUITY AND INDEBTEDNESS** | | | |
| **Equity** | | | |
| Share capital | 19 | 70.0 | 50.0 |
| Other contributed equity | | 1,290.9 | 981.8 |
| Conversion reserves | | -6.2 | -6.7 |
| Retained earnings including net profit for the year | | -619.6 | -362.8 |
| **Total equity** | | **735.1** | **662.4** |
| | | | |
| **Long-term liabilities** | | | |
| Other provisions | 21 | 5.8 | 5.1 |
| Interest-bearing liabilities | 16, 20 | 497.7 | 496.1 |
| Lease liabilities | 20, 24 | 5.7 | 9.8 |
| Deferred tax liabilities | 10 | 101.1 | 120.5 |
| **Total long-term liabilities** | | **610.3** | **631.5** |
| | | | |
| **Short-term liabilities** | | | |
| Accounts payable | 16 | 72.7 | 130.7 |
| Short-term portion of interest-bearing liabilities | | - | 180.6 |
| Lease liabilities | 20, 24 | 7.1 | 7.6 |
| Current tax liabilities | | 12.6 | 20.0 |
| Other liabilities | 16 | 12.8 | 14.3 |
| Accrued costs and prepaid income | 22 | 65.9 | 61.2 |
| **Total short-term liabilities** | | **171.0** | **414.5** |
| **TOTAL EQUITY AND INDEBTEDNESS** | | **1,516.4** | **1,708.3** |

# Consolidated statement of change in equity

| SEK million | Share capital | Other contributed equity | Conversion reserve | Retained earnings | Total equity |
|---|---|---|---|---|---|
| **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** |
| | | | | | |
| **Opening equity 1 January 2023** | **50.0** | **981.8** | **-6.7** | **-362.8** | **662.4** |
| Earnings for the financial year | | | | -256.9 | -256.9 |
| Other comprehensive income for the year | | | 0.5 | | 0.5 |
| **Comprehensive income for the year** | | | **0.5** | **-256.9** | **-256.4** |
| | | | | | |
| **Transactions with the Group's owners** | | | | | |
| New share issues | 20.0 | 329.9 | | | 349.9 |
| Issue costs | | -27.0 | | | -27.0 |
| Tax effect, issue costs | | 5.6 | | | 5.6 |
| | | | | | |
| **Other** | | | | | |
| Paid-in warrants | | 0.6 | | | 0.6 |
| **Closing equity 31 December 2023*** | **70.0** | **1,290.9** | **-6.2** | **-619.6** | **735.1** |

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

# Consolidated statement of cash flows

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **Operating activities** | | | |
| Operating earnings | | -230.4 | 36.2 |
| Adjustments for items not included in the cash flow: | 26 | | |
| - Depreciation/amortisation | | 308.5 | 72.0 |
| - Changes provisions | | 1.0 | 1.9 |
| - Other non-cash items | | 31.4 | -2.0 |
| Interest receivable and similar items | | 3.7 | 6.2 |
| Interest paid | | -41.6 | -22.6 |
| Financial items paid | | -1.2 | -4.5 |
| Tax paid | | -12.2 | -21.6 |
| | | **59.2** | **65.5** |
| | | | |
| **Cash flow from changes in working capital** | | | |
| Change in inventories | | 63.8 | -106.9 |
| Change in operating receivables | | 68.9 | -20.9 |
| Change in operating liabilities | | -56.7 | 15.7 |
| **Cash flow from operating activities** | | **135.2** | **-46.6** |
| | | | |
| **Investment activities** | | | |
| Acquisition of tangible fixed assets | 14 | -10.0 | -9.2 |
| Acquisition of intangible fixed assets | 12, 13 | -75.5 | -109.3 |
| Sale of tangible fixed assets | | 2.9 | 2.8 |
| Divestment of subsidiaries | | - | 0.0 |
| **Cash flow from investment activities** | | **-82.5** | **-115.7** |
| | | | |
| **Financing activities** | | | |
| Paid-in new share issue | | 349.9 | - |
| Issue cost | | -27.0 | - |
| Paid-in warrants | | 0.6 | 0.7 |
| Repayment of loans | | - | 127.6 |
| Amortisation of lease liability | 24 | -8.2 | -8.1 |
| Amortisation of liability | | -180.6 | -5.0 |
| **Cash flow from financing activities** | | **134.6** | **115.2** |
| | | | |
| **Cash flow for the year** | | **187.2** | **-47.1** |
| | | | |
| Cash and cash equivalents at the opening of the year | | 10.0 | 53.5 |
| Exchange-rate differences in cash and cash equivalents | | -5.0 | 3.7 |
| Cash and cash equivalents at year-end | | 192.3 | 10.0 |

# 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 5 April 2024.

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 IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) and IFRIC interpretations 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.

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

Amendments to IAS 1 Presentation of financial statements and IFRS Practice Statement 2: Disclosures of accounting policies. The changes mean that companies must provide information only about essential accounting principles. The purpose of the changes is to increase the usefulness of information about applied accounting principles by describing only essential principles and that these descriptions explain how the Company applies principles based on its specific conditions. The Group has reviewed the accounting principles described in the Annual Report and adapted them in accordance with the change.

### New and amended IFRS not yet applied

Future standards, amendments and improvements to existing standards and interpretations that are not effective for the 2023 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 acquisition method is used to report the Group's acquisitions of subsidiaries.

### 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. The Group's functional currencies are USD, EUR, HKD, CNY, AUD, DKK, GBP and NOK.

#### Transactions and balance-sheet items

As CTEK has a large proportion of transactions in foreign currency, exchange rate differences arise which are reported in the operating earnings in the income statement.

CTEK also has exchange rate gains and losses attributable to financial receivables and liabilities, which are recognised in the income statement financial income or expenses.

### 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.

### 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 two operating segments: Consumer and Professional. 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

CTEK's capitalised development expenses mainly pertain to the development of new and improved products. The costs that are capitalised are mainly external costs such as consulting and material costs as well as internally generated costs such as personnel costs.

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 up until the date on which the intangible asset starts to be used.

### Other intangible assets

CTEK's other intangible assets mainly consist of Goodwill, Trademark, Customer Relations and Technology.

### Amortisation principles

Intangible assets with finite useful lives are amortised systematically over the estimated useful life of the asset. The estimated useful lives of intangible assets are as follows:

| | |
|---|---|
| Patents, licences | 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.

### Amortisation principles

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 | 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.

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. The cash-generated units are the segments. 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. See also note 13.

## 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.

### Classification and measurement of financial assets

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.

### Classification and measurement of financial liabilities

Financial liabilities are classified at amortised cost. 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.

### Impairment of financial instruments

The Group's financial assets and contract assets are subject to depreciation for expected credit losses.

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.

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. See also note 16.

## 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 credit facilities are recognised in the statement of financial position as short-term liabilities.

## 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.

## 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.

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. 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. (note 10)

## 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 interest expenses and similar items

Interest income and interest expenses are recognised under the effective interest method. The items are recognised in the period to which they pertain. (note 9)

## 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.

### Pension insurance with Alecta

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

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. The Group's provisions relate to 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. (note 21)

## 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). The Group's usable assets mainly consist of premises and vehicles. 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 period is determined as the non-cancellable period together with periods that include the option to extend or the option to terminate the agreement if the Group is reasonably certain to exercise the extension option or not to exercise the termination option. 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.

For calculating the present value of the lease payments, the Group's marginal borrowing rate is used as of the effective date of the lease agreement.

### 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 beyond the Group's control, 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.

### Cash flow statement
The cash flow statement was prepared using the indirect method. This means that the operating earnings are 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 2023 and 31 December 2022.

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

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---:|---:|
| USD | 17.5 | 27.8 |
| EUR | 63.2 | 61.1 |
| Other currencies | 11.3 | 11.0 |
| **Total** | **92.0** | **99.9** |

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

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---:|---:|
| USD | 35.6 | 37.8 |
| EUR | 13.8 | 10.1 |
| Other currencies | 1.0 | 2.9 |
| **Total** | **50.4** | **50.8** |

#### 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 2023 would have been SEK 2.5 million (SEK 2.5 million in 2022) 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 2023 would have been SEK 0.9 million (SEK 0.5 million in 2022) 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.

#### 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.

The exchange rates below are applied when translating foreign Group companies.

| Currency | Average rate 2023 | Average rate 2022 | Exchange rate 2023-12-31 | Exchange rate 2022-12-31 |
|---|---|---|---|---|
| USD | 10.6 | 10.1 | 10.0 | 10.4 |
| EUR | 11.5 | 10.6 | 11.1 | 11.1 |
| HKD | 1.4 | 1.3 | 1.3 | 1.3 |
| CNY | 1.5 | 1.5 | 1.4 | 1.5 |
| AUD | 7.0 | 7.0 | 6.7 | 7.1 |
| DKK | 1.5 | 1.4 | 1.5 | 1.5 |
| GBP | 13.2 | 12.5 | 12.8 | 12.6 |
| NOK | 1.0 | 1.1 | 1.0 | 1.1 |

### Sensitivity analysis - income statement

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

In 2023, income was recognised in EUR at an average rate of SEK 11.5, compared with SEK 10.6 in 2022. In 2023, income was recognised in USD at an average rate of SEK 10.6, compared with SEK 10.1 in 2022. If exchange rates were unchanged, sales would have decreased by approximately 11% compared to 2022.

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 20.0 million (SEK 21.9 million in 2022) 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 17.5 million (SEK 17.9 million in 2022) 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 12.6 million (SEK 11.9 million in 2022) 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 10.1 million (SEK 17.6 million in 2022) 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 2022-2023, 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 1 percentage point on net financial items would be an increase/decrease of SEK 5.9 million (SEK 6.2 million in 2022). 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 in outstanding accounts receivable means that no credit is granted before a credit check 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 17 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 2023, the Group has liquidity of SEK 192.3 million (SEK 10.0 million in 2022), which consists of bank balances. In addition, the Group has a credit facility of SEK 100 million (SEK 200 million as of 2022), of which SEK 0 million (SEK 180.6 million as of 2022) had been utilised at year-end.

## 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.

### Important sources of uncertainty in estimates

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 flows 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 2023, the Group recognised goodwill of SEK 342.4 million (SEK 455.8 million in 2022) and trademarks of SEK 234.0 million (SEK 259.5 million in 2022).

### Significant judgements when applying the Group's accounting principles

#### 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 2023, the Group recognised intangible assets for capitalised development expenditure at an amount of SEK 177.8 million (SEK 199.3 million in 2022). 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 305.5 million as of 31 December 2023 (SEK 381.5 million as of 31 December 2022).

#### 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 884.2 million (SEK 950.1 million in 2022), of which SEK 127.0 million (SEK 133.5 million in 2022) was from a single customer in the Consumer segment.

Distribution of net sales by geographic location, based on the customer's head office.

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Sweden | 163.2 | 198.0 |
| Nordics | 42.2 | 62.9 |
| DACH | 242.0 | 241.8 |
| Americas | 177.9 | 111.2 |
| Rest of Europe | 174.6 | 185.0 |
| Other | 84.3 | 151.3 |
| **Total income from contracts with customers** | **884.2** | **950.1** |

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Sales per segment | | |
| Consumer | 530.8 | 566.4 |
| Professional | 352.2 | 358.9 |
| Key functions | 1.2 | 24.8 |
| **Net sales, Group** | **884.2** | **950.1** |
| | | |
| **EBITDA by segment** | | |
| Consumer | 208.2 | 195.9 |
| Professional | -27.6 | -1.6 |
| Central functions excluding items affecting comparability | -65.7 | -71.2 |
| **Adjusted EBITDA, Group** | **114.9** | **123.1** |
| Depreciation/amortisation, non-M&A related fixed assets | -55.9 | -43.9 |
| **Adjusted EBITA, Group** | **59.0** | **79.2** |
| Impairments, non-M&A related fixed assets | -60.0 | - |
| Items affecting comparability | -36.9 | -14.9 |
| **EBITA, Group** | **-37.9** | **64.3** |
| Depreciation/amortisation, M&A driven fixed assets | -26.6 | -28.1 |
| Impairments, M&A-related fixed assets | -165.9 | - |
| **EBIT, Group** | **-230.4** | **36.2** |
| Financial items – net | -45.6 | -14.8 |
| **Profit before tax, Group** | **-276.0** | **21.3** |

For information regarding alternative performance measures, see definitions on page 90.

## NOTE 4 Distribution of net sales (continued)

Net sales are specified by significant type of income as follows

| Revenue from contracts with customers, 31 December 2023<br>SEK million | Consumer | Professional | Group-wide items and eliminations | Total |
|---|---|---|---|---|
| **Group** | | | | |
| Sales of Low Voltage | 520.1 | 132.7 | - | 652.8 |
| Sales of EVSE | 10.7 | 219.5 | - | 230.2 |
| Other income | - | - | 1.2 | 1.2 |
| **Total** | **530.8** | **352.2** | **1.2** | **884.2** |

| Revenue from contracts with customers as of 31 December 2022<br>SEK million | Consumer | Professional | Group-wide items and eliminations | Total |
|---|---|---|---|---|
| **Group** | | | | |
| Sales of Low Voltage | 550.8 | 137.6 | - | 688.4 |
| Sales of EVSE | 15.7 | 221.3 | - | 237.0 |
| Other income | - | - | 24.8 | 24.8 |
| **Total** | **566.4** | **358.9** | **24.8** | **950.1** |

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| **Contract balances** | | |
| Accounts receivable | 143.6 | 194.4 |
| **Total** | **143.6** | **194.4** |

## 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. KPMG AB was elected auditor for CTEK at the 2023 Annual General Meeting.

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **KPMG (Ernst & Young in 2022)** | | |
| Audit assignment | 2.8 | 4.4 |
| Tax advisory services | - | 0.1 |
| Other services | 0.2 | 1.2 |
| **Total** | **3.0** | **5.7** |

# 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 approved by the 2021 AGM are described in the Statutory Administration Report.

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| Salaries and other remuneration | 163.1 | 149.7 |
| Social security contributions | 44.4 | 39.2 |
| Pension costs - defined-contribution plans | 16.3 | 15.3 |
| **Total** | **223.8** | **204.2** |

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 9.6 million (SEK 14.4 million in 2022). Personnel costs in the consolidated income statement are also reduced net of internally generated fixed assets by SEK 33.6 million in 2023 (SEK 31.2 million in 2022). In addition, salary costs have been reported under items affecting comparability as they relate to the reorganisation of a total of SEK 17.4 million in 2023 (SEK 7.7 million in 2022).

## Salaries, other benefits and social security expenses, 1 January 2023-31 December 2023

| SEK million | Salaries and other remuneration | Social security expenses | Pension costs | Total |
|---|---|---|---|---|
| Board members, executive management and CEO | 26.3 | 7.5 | 4.9 | 38.7 |
| (of which variable remuneration) | (5.0) | | | (5.0) |
| Other employees | 136.8 | 36.9 | 11.4 | 185.1 |
| (of which variable remuneration) | (7.7) | | | (7.7) |
| **Total** | **163.1** | **44.4** | **16.3** | **223.8** |

## Salaries, other benefits and social security expenses, 1 January 2022-31 December 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** |

| | 2023-01-01-2023-12-31 | | 2022-01-01-2022-12-31 | |
|---|---|---|---|---|
| Average number of employees, Group: | Average number of employees | Of whom men | Average number of employees | Of whom men |
| Sweden | 152 | 117 | 147 | 115 |
| Rest of Europe | 21 | 17 | 34 | 28 |
| USA | 5 | 3 | 4 | 2 |
| Asia | 32 | 18 | 34 | 21 |
| **Total** | **210** | **155** | **219** | **166** |

| | 2023-01-01-2023-12-31 | | | 2022-01-01-2022-12-31 | | |
|---|---|---|---|---|---|---|
| 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 |
| Executive managers | 6 | 5 | 1 | 7 | 5 | 2 |
| **Total** | **16** | **13** | **3** | **17** | **13** | **4** |

## NOTE 6 Remuneration of employees (continued)

### Remuneration of Board of Directors, CEO and executive management

| SEK million | Base salary/ Board fees/ committee remuneration | Variable remuneration | Other benefits**) | Pension costs | Total |
|---|---|---|---|---|---|
| **2023** | | | | | |
| Hans Stråberg | 0.9 | - | - | - | 0.9 |
| Ola Carlsson | 0.3 | - | - | - | 0.3 |
| Mikael Forsmark | 0.3 | - | - | - | 0.3 |
| Björn Lenander | 0.3 | - | - | - | 0.3 |
| Johan Menckel | 0.3 | - | - | - | 0.3 |
| Jessica Sandström | 0.3 | - | - | - | 0.3 |
| Pernilla Valfridsson | 0.4 | - | - | - | 0.4 |
| Jon Lind, CEO *** | 2.7 | 0.4 | 0.1 | 0.6 | 3.8 |
| Ola Carlsson, Acting CEO **** | 2.5 | 1.3 | - | 0.8 | 4.6 |
| Henrik Fagrenius, CEO ***** | 1.2 | 0.5 | 0.0 | 0.5 | 2.3 |
| Other executive managers* | 12.1 | 2.8 | 0.9 | 3.0 | 18.7 |
| **Total** | **21.3** | **5.0** | **1.0** | **4.9** | **32.2** |
| | | | | | |
| **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** |

*) There were 8 other executive managers in 2023 (7 in 2022). The number of executive managers is 6 as of the balance sheet date 31 December 2023.
**) Other benefits refer to car benefits and health insurance.
***) 2023-01-01 - 2023-01-10
****) 2023-01-11 - 2023-08-31
*****) 2023-09-01 - 2023-12-31

**Long-term incentive programme (LTIP 2026)**

On 11 May 2023, 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 2026 comprises a maximum of 110,856 warrants with a vesting period of three years. Each warrant entitles the holder to subscribe for one share in the Company. 95,142 warrants out of a total of 110,856 have been subscribed by nine executive managers of CTEK as follows: The CEO has received 24,000 warrants through an investment of SEK 151,440 and six executive managers have received 10,857 warrants each through an investment of SEK 68,508 each. One executive manager received 5,000 warrants through an investment of SEK 31,550 and one executive manager received 1,000 warrants through an investment of SEK 6,310. The warrants were subscribed on market terms at a price of SEK 6.31 per option determined on the basis of a calculated market value using the Black & Scholes valuation model.

Upon exercise of all 95,142 warrants in LTIP 2026, a maximum dilution equal to 0.14 percent may occur.

**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 0.12 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. Upon exercise of all 196,551 warrants in LTIP 2024, a maximum dilution equal to 0.28 percent may occur.

**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. Upon exercise of all 198,257 warrants in LTIP 2026, a maximum dilution equal to 0.28 percent may occur.

## Outstanding warrants to Board members and executive managers

| Holders | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Hans Stråberg | 99,129 | 99,129 |
| Ola Carlsson | 24,782 | 24,782 |
| Michael Forsmark | 24,782 | 24,782 |
| Jessica Sandström | 24,782 | 24,782 |
| Pernilla Valfridsson | 24,782 | 24,782 |
| Henrik Fagrenius, CEO | 24,000 | - |
| Jon Lind, former CEO | 129,172 | 129,172 |
| Other executive managers | 222,806 | 151,664 |
| **Total** | **574,235** | **479,093** |

## NOTE 6 Remuneration of employees (continued)

### Maturity structure and option terms for outstanding warrants

| | 2023-01-01-2023-12-31 | | 2022-01-01-2022-12-31 | | 2023-12-31 | 2022-12-31 |
|---|---|---|---|---|---|---|
| Maturity date | Option price | Exercise price | Option price | Exercise price | Number of warrants | Number of warrants |
| 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 | 8.59 | 101.4 | 84,285 | 84,285 |
| 2026-08-30 | 6.31 | 22.2 | | | 95,142 | - |
| **Total** | | | | | **574,235** | **479,093** |

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.

| Change in number of options | 2023 | 2022 |
|---|---|---|
| As of 1 January | 479,093 | 1,084,957 |
| Allocated during the year | 95,142 | 84,285 |
| Exercised during the year* | - | -690,149 |
| **As of 31 December** | **574,235** | **479,093** |

*) The weighted average share price as per the exercise date for exercised options in 2022 was 77.20.

### 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 2022-2023 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 3.8 million for the 2023 financial year (SEK 3.2 million for 2022).

Alecta's surplus can be distributed to policy holders and/or the insured. At the close of 2023, Alecta's surplus in the form of the collective funding ratio was 157 percent (172 percent in 2022). 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 0.02 percent (0.01 in 2022). The Company's share of the total number of active ITP 2 policyholders is 0.01 percent for the year (0.01 in 2022).

The Company's forecast for ITP2 premiums for 2024 is SEK 4.1 million.

## NOTE 7 OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

| SEK million | 2023-01-01 2023-12-31 | 2022-01-01 2022-12-31 |
|---|---|---|
| **Other operating income** | | |
| Exchange rate gains | 1.2 | 3.8 |
| Profit. divestment of equipment | 1.9 | 1.5 |
| Revenue from customers related to impairment of development costs | 8.4 | - |
| Other income | 2.2 | 1.4 |
| **Total** | **13.8** | **6.8** |
| | | |
| **Other operating expenses** | | |
| Exchange-rate losses | -6.7 | -2.1 |
| Other operating expenses | -0.1 | - |
| **Total** | **-6.8** | **-2.1** |

## NOTE 8 ITEMS AFFECTING COMPARABILITY

| SEK million | 2023-01-01 2023-12-31 | 2022-01-01 2022-12-31 |
|---|---|---|
| Expenses related to reorganisation | -29.8 | -10.0 |
| Expenses related to supply chain restructuring | -4.3 | -4.9 |
| Costs related to customs audits regarding previous periods | -2.1 | - |
| Other | -0.7 | - |
| **Total** | **-36.9** | **-14.9** |

## NOTE 9 FINANCIAL INCOME AND EXPENSES

| SEK million | 2023-01-01 2023-12-31 | 2022-01-01 2022-12-31 |
|---|---|---|
| **Financial income:** | | |
| Interest income on bank balances | 3.7 | 0.8 |
| Other financial income | - | 0.0 |
| Exchange rate gains | - | 8.1 |
| **Total** | **3.7** | **8.9** |
| | | |
| **Financial expenses:** | | |
| Interest expenses on borrowing | -41.1 | -19.7 |
| Interest expenses. leases | -0.6 | -0.7 |
| Exchange-rate losses | -3.4 | -0.1 |
| Other financial expenses on borrowing | -4.2 | -3.3 |
| **Total** | **-49.3** | **-23.7** |
| **Financial items – net** | **-45.6** | **-14.8** |

# NOTE 10 INCOME TAX

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **Current tax** | | |
| Current tax on net profit for the year | -2.9 | -4.1 |
| Current tax attributable to previous years | -0.4 | -0.6 |
| **Total** | **-3.3** | **-4.7** |
| | | |
| Deferred tax | 22.5 | -13.9 |
| **Total** | **22.5** | **-13.9** |
| **Total income tax** | **19.2** | **-18.6** |

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 | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **Reconciliation of effective tax** | | |
| Profit before tax | -276.0 | 21.3 |
| Income tax according to applicable tax rate for parent company | 56.9 | -4.4 |
| Tax effects of: | | |
| -Current tax attributable to previous years | -0.4 | -0.6 |
| -Non-deductible expenses | 0.0 | 0.8 |
| -Non-deductible expenses | -6.6 | -1.0 |
| -Increase in remaining negative net interest income without corresponding capitalisation of deferred tax | -7.4 | -4.1 |
| -Other | -0.1 | 0.4 |
| -Impairment of goodwill | -23.3 | - |
| -Reversed capitalisation of deferred tax on remaining negative net interest income | - | -9.8 |
| -Change in deferred tax, other items | 0.2 | 0.1 |
| **Tax recognised in net profit for the year** | **19.2** | **-18.6** |
| | | |
| **Effective tax rate** | **-7.0%** | **-87.5%** |

For 2023 and 2022, the Group has tax items recognised directly against equity.

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **Deferred tax** | | |
| Deferred tax expense attributable to temporary differences | -0.4 | -28.2 |
| Deferred tax income on temporary differences, deficits and similar items | 22.9 | 14.3 |
| **Total deferred tax in profit or loss** | **22.5** | **-13.9** |

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

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **Change in deferred tax** | | |
| Opening carrying amount | -120.5 | -111.7 |
| Intangible assets | 18.5 | -14.2 |
| Untaxed reserves | 0.9 | 4.5 |
| Derivatives | - | 0.8 |
| **Total deferred tax liabilities - net** | **-101.1** | **-120.5** |

### NOTE 10 Income tax (continued)

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **Change in deferred tax liability** | | |
| Opening carrying amount | 6.8 | 9.5 |
| Net interest income | - | -9.8 |
| Loss carryforwards | 3.2 | 4.6 |
| Carryforwards and similar items recognised over equity | 5.6 | 2.3 |
| Other provisions | -0.1 | 0.2 |
| **Total deferred tax assets - net** | **15.4** | **6.8** |

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. Deferred tax receivables on loss carryforwards correspond in full to deferred tax on the entire Group's loss carryforwards as these are deemed to be able to be used in the near future. In 2022, there was a reversal of previously booked deferred tax on the net interest income as it was deemed uncertain whether these could be used in the near future.

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **Deferred tax liabilities and assets** | | |
| Intangible assets | -101.1 | -119.5 |
| Untaxed reserves | - | -1.0 |
| Loss carryforwards | 15.2 | 6.4 |
| Other provisions | 0.2 | 0.3 |
| **Total deferred tax liabilities and assets - net** | **-85.7** | **-113.7** |

## NOTE 11 EARNINGS PER SHARE

Earnings per share were calculated as follows:

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| Income for the year attributable for the parent company's owner (SEK million) | -256.9 | 2.7 |
| **Used in calculating the earnings per share before dilution (SEK million)** | **-256.9** | **2.7** |
| | | |
| Weighted average number of shares | 65,033,506 | 49,730,011 |
| Total number of ordinary shares | 65,033,506 | 49,730,011 |
| **Weighted average number before dilution** | **65,033,506** | **49,730,011** |
| Warrants | - | - |
| **Weighted average number after dilution** | **65,033,506** | **49,730,011** |
| | | |
| Earnings per share before dilution, SEK | -3.95 | 0.05 |
| Earnings per share after dilution, SEK | -3.95 | 0.05 |

There are 574,235 options (479,093) in the Company that have not been included in the calculation of earnings per share because they do not give rise to any dilutive effect for the financial year. However, the options may have a dilutive effect on earnings per share in future periods.

## NOTE 12 INTANGIBLE ASSETS WITH DEFINITE USEFUL LIVES

| SEK million | Patents, licences | Technology | Deferred development costs | Customer Relations | Total |
|---|---|---|---|---|---|
| **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** |
| | | | | | |
| **2023 financial year** | | | | | |
| **Opening carrying amount** | **6.2** | **83.6** | **199.3** | **92.4** | **381.5** |
| | | | | | |
| **Accumulated amortisation** | | | | | |
| At the beginning of the year | 17.4 | 188.9 | 351.1 | 259.6 | 817.0 |
| Investments for the year | - | - | 75.5 | - | 75.5 |
| **Closing accumulated amortisation** | **17.4** | **188.9** | **426.6** | **259.6** | **892.4** |
| | | | | | |
| **Accumulated impairment** | | | | | |
| Impairments at the beginning of the year | -10.8 | -105.3 | -151.0 | -167.2 | -434.2 |
| Impairments | -1.4 | -10.2 | -37.0 | -15.7 | -64.4 |
| **Closing accumulated impairment** | **-12.3** | **-115.4** | **-188.0** | **-182.9** | **-498.6** |
| | | | | | |
| **Accumulated depreciation** | | | | | |
| At the beginning of the year | -0.4 | - | -0.8 | - | -1.2 |
| Depreciations | - | -14.0 | -60.0 | -13.1 | -87.1 |
| **Closing accumulated depreciations** | **-0.4** | **-14.0** | **-60.8** | **-13.1** | **-88.3** |
| | | | | | |
| **Closing carrying amount as of 31 December 2023** | | | | | |
| Acquisition cost | 17.4 | 188.9 | 426.6 | 259.6 | 892.4 |
| Accumulated impairment | -12.3 | -115.4 | -188.0 | -182.9 | -498.6 |
| Accumulated depreciation | -0.4 | -14.0 | -60.8 | -13.1 | -88.3 |
| **Carrying amount** | **4.8** | **59.4** | **177.8** | **63.5** | **305.5** |

Patents, licences mainly refer to acquired patents. The book value was SEK 4.8 million as of 31 December 2023. Amortisation is scheduled over 20 years and the remaining amortisation period is a maximum of 11 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. The book value amounted to SEK 59.4 million as of 31 December 2023. Amortisation is scheduled over 10–20 years and the remaining amortisation period is a maximum of 8 years. In the 2023 accounts, the entire Chargestorm acquisition was impaired by SEK 14 million. Remaining book value relates only to technology in the acquisition of CTEK (2011).

Capitalised development expenses refers to internally generated technology with an amortisation period of 3-6 years and as of 31 December 2023 the book value is SEK 177.7 million. The acquisition value of SEK 75.5 million as per 2023 (SEK 108.3 million in 2022) recognised above equals the research and development costs for the period.

Customer relationships were established through the acquisition of CTEK (2011), Chargestorm (2018), and the acquisition of distributor rights in Germany (2017). The total book value of these as of 31 December 2023 was SEK 63.5 million. An amortisation schedule has been set at between 6-20 years and the remaining amortisation period is a maximum of 14 years. In the 2023 accounts, the entire Chargestorm acquisition was impaired by SEK 13.1 million.

## NOTE 13 INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

| SEK million | Goodwill | Trademarks | Total |
|---|---|---|---|
| **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** |
| | | | |
| **2023 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 |
| Depreciations | -113.3 | -25.5 | -138.8 |
| **Closing accumulated depreciations** | **-146.3** | **-25.5** | **-171.8** |
| | | | |
| **Closing carrying amount** | | | |
| **As of 31 December 2023** | | | |
| Acquisition cost | 488.8 | 259.5 | 748.3 |
| Accumulated depreciation | -146.3 | -25.5 | -171.8 |
| **Carrying amount** | **342.4** | **234.0** | **576.4** |

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 trademarks. 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 Consumer business area, formerly known as Aftermarket, mainly pertains to the sale of premium battery chargers in Low Voltage. Professional comprises the former business areas Energy & Facilities and Original Equipment and pertains to the sale of chargers in both Low Voltage and EVSE. These two 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<br>Intangible assets per CGU, 31 December 2023 | Goodwill | Trademarks | Total |
|---|---|---|---|
| Consumer | 311.4 | 212.8 | 524.2 |
| Professional | 31.1 | 21.2 | 52.3 |
| **Total** | **342.4** | **234.0** | **576.4** |

| SEK million<br>Intangible assets per CGU, 31 December 2022 | Goodwill | Trademarks | Total |
|---|---|---|---|
| Consumer | 311.4 | 212.8 | 524.2 |
| Professional | 144.4 | 46.7 | 191.1 |
| **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 two 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 the growth rate in the forecast period, the discount rate and EBITDA, which are the three main assumptions that have an individual material impact on the value-in-use calculation. The forecast EBITDA and growth rate are based on previous results, expected market development and a five-year forecast that is approved by the management. The pre-tax discount rate is based on the risk-free rate, market premium, beta value, capital structure and tax rate, and is determined to the greatest extent possible using external sources.

The cash-generating unit Consumer is assessed to have a stable EBITDA development in the forecast period and a more cautious growth rate in the forecast period. Future cash flows were discounted using an interest rate of 15.1% before tax and 12.0% after tax for Consumer. 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 EBITDA margin in the forecast period was reduced by 2 percentage points and the growth rate in the forecast period was reduced by 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 Professional cash-generating unit is expected to have an improved EBITDA development 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 15.1% before tax and 12.0% 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 EBITDA margin in the forecast period was reduced by 2 percentage points and the growth rate in the forecast period was reduced by 5 percentage points. The calculation of the value in use for Professional 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.

### *Impairment of goodwill and other intangible assets*

During the third quarter of 2023, an impairment was made of the total value of goodwill and other intangible assets pertaining to the acquisition of Chargestorm, amounting to a total of SEK 166 million, of which SEK 113.3 million related to goodwill, SEK 25.5 million related to trademarks, SEK 14.0 million related to technology and SEK 13.1 million related to customer relationships. This was recognised in the former division and cash-generating unit Energy & Facilities, which is now part of the Professional division. Indications pointed to the reported value being below the value in use, and in testing using the same main assumptions as for other segments, the assessment was made that future cash flows and development were not in line with the management's forecasts and thus not justifiable. The impairment must be seen against the background of the negative financial development within the former Energy & Facilities division in recent years, as a result of markedly lower activity in the construction industry, as well as a higher interest rate.

# NOTE 14 TANGIBLE ASSETS

| SEK million | Buildings and land | Equipment, tools and installations | Total |
|---|---|---|---|
| **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** |
| | | | |
| **2023 financial year** | | | |
| **Opening carrying amount** | **1.5** | **25.7** | **27.2** |
| | | | |
| **Accumulated amortisation** | | | |
| At the beginning of the year | 6.7 | 77.9 | 84.6 |
| Investments for the year | - | 10.0 | 10.0 |
| Disposals/divestments | - | -0.8 | -0.8 |
| Translation differences | -0.1 | -0.1 | -0.2 |
| **Closing accumulated amortisation** | **6.7** | **87.0** | **93.7** |
| | | | |
| **Accumulated impairment** | | | |
| At the beginning of the year | -5.2 | -52.2 | -57.4 |
| Impairments | -0.3 | -9.6 | -9.9 |
| Disposals/divestments | - | 0.4 | 0.4 |
| Translation differences | 0.0 | 0.1 | 0.1 |
| **Closing accumulated impairment** | **-5.5** | **-61.3** | **-66.9** |
| | | | |
| **Closing carrying amount** | | | |
| **As of 31 December 2023** | | | |
| Acquisition cost | 6.7 | 87.0 | 93.7 |
| Accumulated impairment | -5.5 | -61.3 | -66.9 |
| **Carrying amount** | **1.2** | **25.7** | **26.9** |

# NOTE 15 INVENTORIES

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Finished goods | 198.1 | 294.9 |
| Components | 61.0 | 29.2 |
| -Less obsolescence finished goods | -20.4 | -11.8 |
| -Less obsolescence components | -17.1 | -1.0 |
| **Total** | **221.5** | **311.3** |

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. A reversal of previous impairment mainly occurs when obsolete goods are disposed of. No significant part of inventories is measured at net realisable value. During the year, impairment of inventories impacted the income statement by SEK -24.7 million (SEK -2.7 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.

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.

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.

The table below shows the reported values and the fair values of the Group's financial assets and financial liabilities, including their level in the valuation hierarchy.

| SEK million<br>Assets in balance sheet | Financial assets measured at amortised cost | Non-financial | Total |
|---|---|---|---|
| **2023-12-31** | | | |
| Accounts receivable | 143.6 | - | 143.6 |
| Other receivables | 2.4 | 4.7 | 7.1 |
| Cash and cash equivalents | 192.3 | - | 192.3 |
| **Total** | **338.4** | **4.7** | **343.1** |

| SEK million<br>Assets in balance sheet | 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 |
| Cash and cash equivalents | 10.0 | - | 10.0 |
| **Total** | **207.3** | **5.5** | **212.7** |

| SEK million<br>Liabilities in balance sheet | Financial liabilities measured at amortised cost | Non-financial liabilities | Total |
|---|---|---|---|
| **2023-12-31** | | | |
| Interest-bearing liabilities | 497.7 | - | 497.7 |
| Accounts payable | 72.7 | - | 72.7 |
| Other liabilities | 2.8 | 10.0 | 12.8 |
| **Total** | **573.2** | **10.0** | **583.2** |

## *NOTE 16 Financial instruments per category (continued)*

| SEK million<br>Liabilities in balance sheet | Financial liabilities measured at amortised cost | Non-financial liabilities | Total |
|---|---|---|---|
| **2022-12-31** | | | |
| Interest-bearing liabilities | 676.7 | - | 676.7 |
| Accounts payable | 130.7 | - | 130.7 |
| Other liabilities | 3.8 | 10.5 | 14.3 |
| **Total** | **811.1** | **10.5** | **821.7** |

The following is presented for the Group's financial liabilities on 31 December 2023: 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 |
|---|---|---|---|---|
| **2023-12-31** | | | | |
| Interest-bearing liabilities | 38.6 | 528.3 | - | 566.9 |
| Lease liabilities | 7.3 | 6.2 | - | 13.5 |
| Accounts payable | 72.7 | - | - | 72.7 |
| Other liabilities | 12.8 | - | - | 12.8 |
| **Total** | **131.4** | **534.5** | **-** | **665.9** |

| 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 | 8.0 | 10.1 | - | 18.2 |
| Accounts payable | 130.7 | - | - | 130.7 |
| Other liabilities | 14.3 | - | - | 14.3 |
| **Total** | **376.2** | **571.6** | **-** | **947.9** |

## NOTE 17 ACCOUNTS RECEIVABLE

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| **Accounts receivable** | 150.2 | 198.1 |
| Provision for expected credit losses | -6.6 | -3.8 |
| **Accounts receivable – net** | **143.6** | **194.4** |

60 percent (54 percent in 2022) of accounts receivable outstanding on 31 December 2023 relate to 5 customers. On 31 December 2023, accounts receivable of SEK 27.7 million (SEK 28.3 million in 2022) 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 | 2023-12-31 | 2022-12-31 |
|---|---|---|
| 1-30 days | 8.9 | 14.4 |
| 31-60 days | 3.2 | 4.9 |
| 61-90 days | 2.2 | 0.9 |
| > 91 days | 13.4 | 8.1 |
| **Total past due accounts receivable** | **27.7** | **28.3** |

Provisions for unsecured receivables equal to 4 percent (2 percent in 2022) of total receivables changed as follows:

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Opening balance | 3.8 | 3.8 |
| Provision for expected credit losses | 3.2 | 0.8 |
| Confirmed customer losses | -0.4 | -0.8 |
| **Closing balance** | **6.6** | **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.

Loss risk reserve percentage for overdue receivables:

| 2023-12-31 | Overdue 1-30 days | Overdue 31-60 days | Overdue 61-90 days | Overdue >90 days | Total |
|---|---|---|---|---|---|
| Expected loss level % | 0% | 0% | 0% | 49% | |
| Reported amount, accounts receivable gross | 8.9 | 3.2 | 2.2 | 13.4 | 27.7 |
| Credit loss reserve | - | - | - | 6.6 | 6.6 |

| 2022-12-31 | Overdue 1-30 days | Overdue 31-60 days | Overdue 61-90 days | Overdue >90 days | Total |
|---|---|---|---|---|---|
| Expected loss level % | 0% | 0% | 0% | 47% | |
| Reported amount, accounts receivable gross | 14.4 | 4.9 | 0.9 | 8.1 | 28.3 |
| Credit loss reserve | - | - | - | 3.8 | 3.8 |

## NOTE 18 PREPAID EXPENSES AND ACCRUED INCOME

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Prepaid expenses | 6.3 | 23.4 |
| Prepaid insurance | 4.1 | 4.3 |
| Accrued income | 1.8 | 2.0 |
| Other items | 1.7 | 5.8 |
| **Total** | **13.9** | **35.5** |

## NOTE 19 SHARE CAPITAL AND OTHER CONTRIBUTED EQUITY

As of 31 December 2023, the share capital is 69,976,275 ordinary shares (49,983,054 shares in 2022). Nominal value per share is SEK 1.0 (1.0 in 2022). The shares entitle the holder to one vote per share. All shares issued by the parent company are paid-up in full.

## NOTE 20 INTEREST-BEARING LIABILITIES

| SEK million<br>Interest-bearing liabilities | Type of loan | Interest | Currency | 2023-12-31 | 2022-12-31 |
|---|---|---|---|---|---|
| **Year due** | | | | | |
| 2025 | Loans from credit institutions | Variable | SEK | 497.7 | 496.1 |
| **Total** | | | | **497.7** | **496.1** |

In addition to the interest-bearing liabilities stated above, the Company has a short-term cheque facility of SEK 100 million (SEK 200 million). SEK 0 million (SEK 180.6 million) had been utilised at year-end.

| SEK million<br>Short-term loans | Amount at start of year | Cash flow | Currency effects | Non-cash changes | Amount at year-end |
|---|---|---|---|---|---|
| **2023** | | | | | |
| Credit facility | 180.6 | -180.6 | - | - | - |
| **Total** | **180.6** | **-180.6** | **-** | **-** | **-** |

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

### Change in interest-bearing liabilities

| SEK million<br>Long-term loans | Amount at start of year | Cash flow | Currency effects | Non-cash changes | Amount at ear-end |
|---|---|---|---|---|---|
| **2023** | | | | | |
| Loans from credit institutions | 500.0 | - | - | - | 500.0 |
| Arrangement fees | -3.9 | - | - | 1.6 | -2.3 |
| **Total** | **496.1** | **-** | **-** | **1.6** | **497.7** |

| SEK million<br>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** |

Total interest costs for debts to credit institutions amounted to 41.1 MSEK (19.7 MSEK in 2022), where 36.9 MSEK (15.4 MSEK in 2022) are attributable to the long-term loans and the remaining 4.2 MSEK (4.4 MSEK in 2022) are attributable to the credit facility. The maximum interest rate is 7.54% (6.15% in 2022). The effective interest rate was 7.38% (3% in 2022). The calculation of the effective interest rate refers to the long-term loans. Linked to the loans is a covenant pertaining to the debt ratio. CTEK is compliant with this covenant.

### Change in lease liabilities

| SEK million<br>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 |
|---|---|---|---|---|---|---|---|
| **2023** | | | | | | | |
| Long-term interest-bearing liabilities | 9.8 | 2.2 | -6.5 | - | 0.3 | -0.1 | 5.7 |
| Short-term interest-bearing liabilities | 7.6 | 1.6 | 6.4 | -8.8 | 0.3 | -0.1 | 7.1 |
| **Total** | **17.4** | **3.8** | **-0.1** | **-8.8** | **0.6** | **-0.2** | **12.8** |

| SEK million<br>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** |

## NOTE 21 PROVISIONS

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Guarantee commitment | 5.8 | 5.1 |
| **Total, Group** | 5.8 | 5.1 |
| | | |
| **Group** | | |
| **Guarantee commitment** | | |
| Carrying amount at beginning of year | 5.1 | 3.2 |
| Reclassification | - | - |
| Change in guarantee commitments during the year | 0.7 | 1.9 |
| **Total** | **5.8** | **5.1** |

## NOTE 22 ACCRUED COSTS AND PREPAID INCOME

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Accrued salaries | 15.0 | 5.5 |
| Accrued holiday pay | 11.0 | 11.9 |
| Accrued social security contributions | 7.5 | 4.6 |
| Accrued interest expenses | 0.2 | 0.2 |
| Accrued customer discounts | 12.4 | 15.0 |
| Accrued expenses | 11.7 | 5.2 |
| Prepaid income | 6.1 | 15.1 |
| Other not individually significant items | 1.9 | 3.7 |
| **Total** | **65.9** | **61.2** |

## NOTE 23 PLEDGED ASSETS

There are no pledged assets in the Company.

# NOTE 24 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 2023 | 7.8 | 8.8 | 16.6 | 17.5 |
| Additional leases | 3.8 | 0.0 | 3.8 | 3.8 |
| Impairments | -4.8 | -3.4 | -8.2 | - |
| Terminated contracts | -1.7 | 0.0 | -1.7 | -1.6 |
| Revaluation of contracts | 0.3 | 1.2 | 1.5 | 1.5 |
| Translation differences | 0.0 | -0.2 | -0.1 | -0.1 |
| Interest expenses | - | - | - | 0.6 |
| Lease payments | - | - | - | -8.8 |
| **Closing balance, 31 December 2023** | **5.5** | **6.4** | **11.9** | **12.8** |

| | 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** |

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

| SEK million | 2023-12-31 | 2022-12-31 |
|---|---|---|
| Depreciation of right-of-use assets | -8.2 | -8.3 |
| Interest expenses on lease liabilities | -0.6 | -0.7 |
| Expenses for short-term leases | -2.7 | -2.3 |
| Expenses for low-value leases | -0.5 | -0.5 |
| Expenses for variable lease payments | -0.6 | -0.6 |
| **Total** | **-12.5** | **-12.4** |

The Group's total cash outflow attributable to leasing agreements is SEK 12.6 million (12.2) for the 2023 financial year. For a maturity analysis of the Group's leasing liabilities, see note 16.

# NOTE 25 TRANSACTIONS WITH 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.

During the year, no transactions with related parties took place except for transactions between the parent company and subsidiaries regarding management fees, as well as through the introduction of a long-term incentive programme (LTIP 2026). The Board of Directors, CEO and other executive managers have invested in the Company through warrants. See note 6 for further information, as well as any other remuneration.

## NOTE 26 SUPPLEMENTARY DISCLOSURES ON CASH FLOW

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| Non-cash items | | |
| Depreciation and amortisation | 308.5 | 72.0 |
| Changes provisions | 1.0 | 1.9 |
| Capital gains/losses | -1.9 | -1.1 |
| Unrealised currency effects | 5.7 | -0.9 |
| Change in inventory obsolescence | 24.7 | - |
| Change in reserved customer losses | 2.9 | - |
| Other | 0.0 | - |
| **Total** | **340.9** | **71.9** |

## NOTE 27 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 Hong Kong Ltd | 11132386 | Hong Kong | 100% |
| CTEK Smart Chargers (Shenzhen) Co. Ltd | 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 28 PROPOSED PROFIT DISTRIBUTION

| **The following amounts in SEK are at the disposal of the Annual General Meeting** | |
|---|---|
| Share premium reserve | 1,648,469,021 |
| Retained earnings | -14,568,412 |
| Earnings for the financial year | -45,210,156 |
| **Total** | **1,588,690,453** |

| **The Board of Directors proposes that available earnings and unrestricted funds be appropriated as follows:** | |
|---|---|
| Balance carried forward | 1,588,690,453 |

## NOTE 29 ASSETS HELD FOR SALE

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| Buildings and land | - | 0.7 |
| **Total, Group** | **-** | **0.7** |

## NOTE 30 EVENTS AFTER THE BALANCE-SHEET DATE

There are no significant events to report.

# Parent Company income statement

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| Net sales | 2 | 20.0 | 19.0 |
| Other operating income | | - | 0.0 |
| Gross profit | | 20.0 | 19.0 |
| | | | |
| **Operating expenses** | | | |
| Other external expenses | 3 | -10.1 | -11.1 |
| Personnel costs | 4 | -13.8 | -9.2 |
| Items affecting comparability | 5 | -5.2 | - |
| **Total expenses** | | **-29.1** | **-20.3** |
| | | | |
| **Operating earnings** | | **-9.1** | **-1.3** |
| | | | |
| **Net financial items** | | | |
| Other interest income and similar income items from Group companies | 6 | 2.3 | 0.0 |
| Interest expenses and similar profit items | 6 | -40.3 | -18.3 |
| **Financial items – net** | | **-38.0** | **-18.3** |
| | | | |
| **Profit before tax** | | **-47.1** | **-19.6** |
| Tax on net profit for the year | 7 | 1.9 | -0.3 |
| **Net profit and comprehensive income for the year** | | **-45.2** | **-19.9** |

# Parent Company balance sheet

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| | | | |
| **Financial assets** | | | |
| Shares in Group companies | 8 | 1,090.4 | 1,090.4 |
| Receivables from Group companies | | 1,028.9 | 819.9 |
| Deferred tax assets | | 9.5 | 2.0 |
| **Total financial assets** | | **2,128.7** | **1,912.3** |
| | | | |
| **Total, fixed assets** | | **2,128.7** | **1,912.3** |
| | | | |
| **Current assets** | | | |
| Receivables from Group companies | | 78.4 | 3.7 |
| Other short-term receivables | | 0.2 | 0.2 |
| Prepaid expenses and accrued income | | 4.5 | 6.1 |
| **Total, current assets** | | **83.1** | **10.0** |
| | | | |
| **TOTAL ASSETS** | | **2,211.8** | **1,922.4** |

# Parent Company balance sheet

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **EQUITY AND INDEBTEDNESS** | | | |
| | | | |
| **Equity** | | | |
| **Restricted equity** | | | |
| Share capital | 9 | 70.0 | 50.0 |
| **Total restricted equity** | | **70.0** | **50.0** |
| | | | |
| **Unrestricted equity** | | | |
| Share premium reserve | | 1,648.5 | 1,339.4 |
| Retained earnings | | -14.6 | 5.3 |
| Earnings for the financial year | | -45.2 | -19.9 |
| **Total unrestricted equity** | | **1,588.7** | **1,324.9** |
| | | | |
| **Total equity** | | **1,658.7** | **1,374.8** |
| | | | |
| **Long-term liabilities** | | | |
| Interest-bearing liabilities | 10 | 497.7 | 496.1 |
| **Total long-term liabilities** | | **497.7** | **496.1** |
| | | | |
| **Short-term liabilities** | | | |
| Accounts payable | | 0.5 | 0.1 |
| Payables to Group companies | | 45.2 | 45.2 |
| Other short-term liabilities | | 3.8 | 3.3 |
| Accrued costs and prepaid income | | 6.0 | 2.9 |
| **Total short-term liabilities** | | **55.4** | **51.5** |
| | | | |
| **TOTAL EQUITY AND INDEBTEDNESS** | | **2,211.8** | **1,922.4** |

# *Parent Company's statement of change in equity*

| SEK million | Share capital | Share premium reserve | Deferred profit | Total equity |
|---|---|---|---|---|
| **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** |
| | | | | |
| **Opening equity 1 January 2023** | **50.0** | **1,339.4** | **-14.6** | **1,374.8** |
| | | | | |
| Allocation of surplus | | | - | - |
| Earnings for the financial year | | | -45.2 | -45.2 |
| | | | | |
| **Transactions with the shareholders** | | | | |
| New share issue | 20.0 | 329.9 | | 349.9 |
| Issue costs | | -27.0 | | -27.0 |
| Tax effect, issue costs | | 5.6 | | 5.6 |
| | | | | |
| **Other** | | | | |
| Paid-in warrants | | 0.6 | | 0.6 |
| **Closing equity 31 December 2023** | **70.0** | **1,648.5** | **-59.8** | **1,658.7** |

# Parent Company's statement of cash flows

| SEK million | Note | 2023-12-31 | 2022-12-31 |
|---|---|---|---|
| **Operating activities** | | | |
| Operating earnings | | -9.1 | -1.3 |
| Interest received | | 2.3 | - |
| Interest paid | | -36.0 | -17.3 |
| Financial items paid | | -1.2 | -4.5 |
| Tax paid | | 0.0 | 0.0 |
| | | **-44.0** | **-23.1** |
| **Cash flow from changes in working capital** | | | |
| Change in short-term receivables | | -74.5 | 4.4 |
| Change in short-term liabilities | | 3.9 | -3.9 |
| **Cash flow from operating activities** | | **-114.5** | **-22.6** |
| **Financing activities** | | | |
| Paid-in new share issue | | 349.9 | - |
| Issue cost | | -27.0 | - |
| Paid-in warrants | | 0.6 | - |
| Change in intra-group loans | | -209.0 | 21.9 |
| **Cash flow from financing activities** | | **114.5** | **21.9** |
| **Cash flow for the year** | | - | -0.7 |
| Cash and cash equivalents at the opening of the year | | - | 0.7 |
| **Cash and cash equivalents at year-end** | | **-** | **-** |

# 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 for the Parent Company, the terms "income statement" and "balance sheet" are used for the reports that, for the Group, have the titles "statement of profit or loss" and "statement of financial position", respectively.

The Parent Company's income statement and balance sheet are drawn up according to the Annual Accounts Act's schedules, while the report on other comprehensive income, the report on changes in equity and the cash flow analysis are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences as compared to the Group's reports that appear in the Parent Company's profit and loss statements mainly comprise reporting of financial income and expenses, fixed assets and 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 20 million (19) 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.

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| KPMG AB (Ernst & Young in 2022) | | |
| -Audit assignment | 1.5 | 2.4 |
| -Tax advisory services | - | - |
| -Other services | 0.2 | 1.0 |
| **Total** | **1.6** | **3.4** |

# NOTE 4 SALARIES AND OTHER REMUNERATION

| SEK million | 2023-01-01 2023-12-31 | 2022-01-01 2022-12-31 |
|---|---|---|
| Salaries and other remuneration | -12.5 | -6.0 |
| Social security contributions | -4.0 | -1.9 |
| Pension costs - defined-contribution plans | -2.4 | -1.2 |
| **Total** | **-18.9** | **-9.1** |

Severance pay to the former CEO totalling SEK 5.2 million was reported under items affecting comparability in the income statement in 2023.

## Salaries. other benefits and social security expenses. 1 January 2023–31 December 2023

| SEK million | Salaries and other remuneration | Social security expenses | Pension costs | Total |
|---|---|---|---|---|
| Board members. executive management and CEO | 12.5 | 4.0 | 2.4 | 18.9 |
| (of which variable remuneration) | (1.6) | | | (1.6) |
| **Total** | **12.5** | **4.0** | **2.4** | **18.9** |

## Salaries. other benefits and social security expenses. 1 January 2022–31 December 2022

| SEK million | Salaries and other remuneration | Social security expenses | Pension costs | Total |
|---|---|---|---|---|
| Board members. executive management and CEO | 6.0 | 1.9 | 1.2 | 9.1 |
| (of which variable remuneration) | - | | | - |
| **Total** | **6.0** | **1.9** | **1.2** | **9.1** |

| Average number of employees | Average number of employees | Of whom. men | Average number of employees | Of whom. men |
|---|---|---|---|---|
| Sweden | 1 | 1 | 1 | 1 |
| **Total** | **1** | **1** | **1** | **1** |

# NOTE 5 ITEMS AFFECTING COMPARABILITY

| SEK million | 2023-01-01 2023-12-31 | 2022-01-01 2022-12-31 |
|---|---|---|
| Expenses related to reorganisation | 5.2 | - |
| **Total** | **5.2** | **-** |

# NOTE 6 FINANCIAL INCOME AND EXPENSES

| SEK million | 2023-01-01 2023-12-31 | 2022-01-01 2022-12-31 |
|---|---|---|
| **Financial income** | | |
| Interest income from Group companies | 2.3 | 0.0 |
| **Financial income** | **2.3** | **0.0** |
| | | |
| **Financial expenses** | | |
| Interest expenses on borrowing | -36.0 | -15.0 |
| Other financial expenses on borrowing | -4.2 | -3.3 |
| **Financial expenses** | **-40.3** | **-18.3** |
| | | |
| **Financial items – net** | **-38.0** | **-18.3** |

## NOTE 7 INCOME TAX

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| Current tax on net profit for the year | 1.9 | -0.3 |
| **Total current tax** | **1.9** | **-0.3** |
| | | |
| **Total income tax** | **1.9** | **-0.3** |
| | | |
| Profit before tax | -47.1 | -19.6 |
| Income tax according to applicable tax rate 20.6% (20.6%) | 9.7 | 4.0 |
| Tax effects of: | | |
| -Non-deductible costs and other tax items | -0.5 | -0.3 |
| -Increase in remaining negative net interest income without corresponding capitalisation of deferred tax | -7.4 | -3.5 |
| -Reversed capitalisation of remaining negative net interest | - | -0.6 |
| **Tax recognised in net profit for the year** | **1.9** | **-0.3** |

Deferred tax on loss deductions has been recognised in the Parent Company's total deficit. During 2023, the Parent Company had deferred tax of SEK 5.6 million (SEK 2.3 million in 2022) that is recognised directly against equity.

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| **Change in deferred tax liability** | | |
| Opening carrying amount | 2.0 | - |
| Loss carryforwards | 7.5 | 2.0 |
| **Total deferred tax assets** | **9.5** | **2.0** |

## NOTE 8 SHARES IN GROUP COMPANIES

| SEK million | 2023-01-01<br>2023-12-31 | 2022-01-01<br>2022-12-31 |
|---|---|---|
| Opening carrying amount | 1090.4 | 1031.3 |
| Acquisitions | - | 59.1 |
| **Closing carrying amount** | **1090.4** | **1090.4** |

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

| Name | Corp. Reg. No. | Registered office | Capital share | Number of shares | Carrying amount 2023 | Carrying amount 2022 |
|---|---|---|---|---|---|---|
| **Direct holdings** | | | | | | |
| CTEK Holding AB | 556853-7558 | Vikmanshyttan | 100% | 444,299,630 | 1090.4 | 1090.4 |
| 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 Hong Kong Ltd | 11132386 | Hong Kong | 100% | 10,000 | | |
| CTEK Smart Chargers (Shenzhen) Co. Ltd | 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 9 SHARE CAPITAL AND OTHER CONTRIBUTED EQUITY

As of 31 December 2023, the share capital is 69,976,275 ordinary shares (49,983,054). 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 10 INTEREST-BEARING LIABILITIES

| SEK million<br>Interest-bearing liabilities | Type of loan | Interest | Currency | 2023-12-31 | 2022-12-31 |
|---|---|---|---|---|---|
| Year due | | | | | |
| 2025 | Loans from credit institutions | Variable | SEK | 497.7 | 496.1 |
| **Total** | | | | **497.7** | **496.1** |

| SEK million<br>Long-term loans | Amount at beginning of year | Cash flow | Currency effects | Non-cash changes | Amount at year-end |
|---|---|---|---|---|---|
| **2023** | | | | | |
| Loans from credit institutions | 500.0 | | | | 500.0 |
| Arrangement fees | -3.9 | | | 1.6 | -2.3 |
| **Total** | **496.1** | | | **1.6** | **497.7** |

| SEK million<br>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** |

## NOTE 11 PLEDGED ASSETS

There are no pledges in the Company as of 31 December 2023, see Note 23 of the Consolidated financial statements for further information.

## NOTE 12 PROPOSED PROFIT DISTRIBUTION

| **The following amounts in SEK are at the disposal of the Annual General Meeting** | |
|---|---|
| Share premium reserve | 1,648,469,021 |
| Retained earnings | -14,568,412 |
| Earnings for the financial year | -45,210,156 |
| **Total** | **1,588,690,453** |

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

**Balance carried forward** **1,588,690,453**

## NOTE 13 EVENTS AFTER THE BALANCE-SHEET DATE

There are no significant events to report.

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 Statutory Administration Report presents 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, 5 April 2024

Hans Stråberg
Chairman of the Board

Ola Carlsson
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

Henrik Fagrenius
Chief Executive Officer

Mats Lind
Employee Representative

Daniel Forsberg
Employee Representative

Our audit report was submitted on 5 April 2024
KPMG AB

Henrik Lind
Certified public accountant

# Audit report

To the Annual General Meeting of CTEK AB (publ), Corporate Registration Number 559217-4659

## REPORT ON THE ANNUAL ACCOUNTS AND THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinions

We have audited the annual accounts and consolidated financial statements of CTEK AB (publ) for the year 2023 except the corporate governance report on pages 15-26. The Company's annual report and consolidated financial Statements are included on pages 36-84 of this document.

In our opinion, the financial statements have been prepared in accordance with the Annual Accounts Act and present a true and accurate view, in all material respects, of the financial position of the Parent Company as of 31 December 2023 and of its financial performance and cash flow for the year in accordance with the Annual Accounts Act. The consolidated financial statements were prepared in accordance with the Annual Accounts Act and present a true and accurate view, in all material respects, of the financial position of the Group as of 31 December 2023 and of its financial performance and cash flow for the year in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not include the corporate governance report on pages 15-26. The statutory administration report is consistent with the other parts of the annual accounts and consolidated financial statements.

We therefore recommend that the Annual General Meeting approve the income statement and balance sheet of the parent company and the statement of comprehensive income and statement of financial position of the Group.

Our opinions in this report on the annual accounts and the consolidated financial statements are consistent with the content of the supplementary report submitted to the audit committee of the parent company in accordance with Article 11 of the Audit Regulation (537/2014).

### 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 auditing practices in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes, based on our best knowledge and belief, that no prohibited services as referenced in Article 5(1) of the Statutory Audit Regulation (537/2014) were provided to the audited company or, where applicable, its parent company or its controlled undertakings in the EU.

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

### Other information

The audit of the annual accounts and consolidated financial statements for the 2022 financial year was carried out by another auditor, who submitted an audit report dated 5 April 2023 with unmodified opinions in the Report on the annual accounts and the consolidated financial statements.

### Areas of particular importance

Areas of particular importance to the audit are those areas which, in our professional judgement, were of most significance to the audit of the annual accounts and consolidated accounts for the period under review. These areas were addressed in the context of the audit of, and in our opinion regarding, the annual accounts and consolidated accounts as a whole, however we do not express separate opinions on these areas.

### Valuation of goodwill, trademarks and the parent company's shares in subsidiaries

See Note 13 and the accounting principles on page 50 of the annual accounts and consolidated financial statements for detailed information and a description of the area.

#### Description of the area

The reported value of goodwill and trademarks was SEK 576 million as of 31 December 2023, which constitutes approximately 38% of the balance sheet total.

Goodwill and trademarks with an indeterminate useful life must be tested for impairment at least annually. Impairments of SEK 226 million were recognised during the financial year, of which SEK 113 relate to goodwill, SEK 26 million to trademarks and SEK 87 million to other intangible assets.

The impairment tests are complex and involve significant estimates. The estimated recovery value for the assets is based on forecasts and discounted future cash flows where estimates of the discount rate, revenue and profit forecasts and long-term growth are dependent on assessments, which can be influenced by the company management.

As of 31 December 2023, the parent company reported shares in Group companies of SEK 1,090 million. If the value of the shares exceeds the equity in each Group company, the same type of test is carried out as in the consolidated financial statements, using the same technique and input values.

#### How this area was addressed in the audit

We have examined and assessed the Group's and the Parent Company's impairment testing to ascertain that it was performed in accordance with the technique prescribed in IFRS.

Furthermore, we have evaluated the management's forecasts for future cash flows and the assumptions they are based on, which include the long-term growth rate and the assumed discount rate, by reviewing and evaluating the Group's written documentation and plans. We have also evaluated previous years' assessments in relation to actual outcomes.

Another important part of our work was to evaluate how changes in assumptions can affect the valuation. We made the evaluation by carrying out a sensitivity analysis.

We have evaluated the management's assumptions regarding the allocation of assets to the two new cash-generating units that were identified during the year.

We have also examined the information in the annual report and assessed whether it is consistent with the assumptions that the company management applied in its valuation and that it corresponds in all material aspects to the information that must be provided according to IFRS Accounting Standards.

### Information other than the annual accounts and consolidated financial statements

This document also contains information other than the annual accounts and the consolidated financial statements and can be found on pages 1-14, 27-35 and 90-93. The other information also comprises the remuneration report. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion concerning the annual accounts and consolidated financial statements does not cover this information and we do not provide an audit opinion concerning this other information.

In connection with our audit of the annual accounts and consolidated financial statements, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated financial statements. In performing our review, we also consider such other knowledge as we have obtained during the audit and determine whether the information otherwise appears to contain material misstatements.

If, based on the work done on this information, we conclude that the other information contains a material misstatement, we are required to report this. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation and accurate presentation of the annual accounts and consolidated financial statements in accordance with the Annual Accounts Act and, in the case of the consolidated financial statements, in accordance with the remuneration report as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for such internal controls as they determine are necessary to enable the preparation of annual accounts and consolidated financial statements that are free from material misstatements, whether fraudulent or by mistake.

In preparing the annual accounts and consolidated financial statements, the Board of Directors and the Chief Executive Officer are responsible for assessing the Company's and the Group's ability to continue as a going concern. Where applicable, they will disclose conditions that may affect the ability to continue as a going concern and to use the going concern assumption. However, the going concern assumption does not apply if the Board of Directors and the Chief Executive Officer intend to liquidate the company, cease operations or have no realistic alternative to doing any of these things.

The Board of Directors' Audit Committee shall, without it affecting the Board's other responsibilities and tasks, monitor the Company's financial reporting.

### Auditor's Responsibilities

Our objective is to achieve a reasonable degree of certainty that the annual accounts and consolidated financial statements as a whole are free from material misstatements, whether fraudulent or by mistake, and to provide an audit report that includes our opinions. Reasonable certainty is a high degree of certainty, but is not a guarantee that an audit performed in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement if one exists. Misstatements may result from fraud or by mistake and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the financial decisions of users taken on the basis of the annual accounts and consolidated financial statements.

As part of an audit according to ISA, we use our professional judgement and maintain a professionally sceptical attitude throughout the audit. Furthermore:

- 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 due to a fraud is higher than for a material misstatement due to a mistake, since fraudulent behaviour may include collusion, falsification, deliberate omissions, misrepresentation or breach of internal controls.
- we obtain an understanding of the Company's internal control relevant to our audit to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- we evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Chief Executive Officer.
- we draw a conclusion regarding the appropriateness of the use of the going concern assumption by the Board of Directors and the Chief Executive Officer in the preparation of the annual accounts and consolidated financial statements. We also draw a conclusion, based on the audit evidence obtained, on whether there are any material uncertainties 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 material uncertainties exist, we must draw attention in the auditor's report to the disclosures in the annual accounts and the consolidated financial statements concerning the material uncertainty or, if such disclosures are inadequate, modify the opinion on the annual accounts and consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may make it impossible for a company and a group to continue operating.
- We evaluate the overall presentation, structure and content of the annual accounts and consolidated financial statements, including the disclosures, and whether the annual accounts and consolidated financial statements present a true and accurate view of the underlying transactions and events.
- We obtain sufficient appropriate audit evidence about the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, supervision and execution of the group audit. We are solely responsible for our opinions.

We must inform the Board of Directors of, among other things, the planned scope and focus of the audit and its timing. We must also disclose significant observations made during the audit, including any significant deficiencies in internal controls that we have identified.

We must also provide the Board with an opinion that we have complied with the relevant ethical requirements regarding independence, and address any relationships and other circumstances that could reasonably be expected to affect our independence, and, where applicable, steps that have been taken to eliminate the threats or countermeasures that have been taken.

Among the areas communicated to the Board, we determine which of these areas were the most significant for the audit of the annual accounts and consolidated financial statements, including the most significant assessed risks of material misstatements, and which therefore represent the areas of particular importance for the audit. We describe these areas in the auditor's report unless disclosure of the matter is prevented by laws or regulations.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### The auditor's audit of the administration of the company and the proposed appropriations of the company's profit or loss

#### Opinions

In addition to our audit of the annual accounts and the consolidated financial statements, we have also audited the administration of CTEK AB (publ) for 2023 by the Board of Directors and the Chief Executive Officer and the proposed appropriation of the Company's profit or loss. We recommend that the Annual General Meeting approve the appropriation of profits as proposed in the Statutory Administration Report and grant discharge to the Directors and the Chief Executive Officer for the financial year.

#### Basis for opinions

We have conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under these standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Company and the Group in accordance with professional auditing practices 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 audit opinions.

#### Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for the proposal of appropriation of the company's profit or loss. When proposing a dividend, this includes, among other things, an assessment of whether the dividend is justified in view of the requirements imposed by the nature, scope and risks of the Company's and Group's activities on the size of the Parent Company's and Group's equity, consolidation requirements, liquidity and general financial position.

The Board of Directors is responsible for the organisation of the company and the management of its affairs. This includes, among other things, continuously assessing the financial condition of the Company and the Group, and ensuring that the Company's organisation is designed in such a way that the accounting, cash management and other financial affairs of the Company are controlled in a satisfactory manner.

The Chief Executive Officer shall carry out the day-to-day management in accordance with the guidelines and instructions of the Board of Directors and shall, among other things, take such measures as are necessary to ensure that the Company's accounts are kept in accordance with the law and that the funds are managed in a satisfactory manner.

#### Auditor's Responsibilities

Our objective with respect to the audit of the management, and hence our opinion on discharge, is to obtain audit evidence to provide a reasonable degree of certainty as to whether in a material way any director or the Chief Executive Officer has:

- committed any act or omission that could give rise to a liability to pay damages on the part of the Company, or
- acted in any other way contrary to the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective in auditing the proposed appropriation of the company's profit or loss, and thus our opinion thereon, is to assess with a reasonable degree of certainty whether the proposed appropriation accords with the Companies Act.

Reasonable certainty is a high degree of certainty, but is not a guarantee that an audit performed in accordance with generally accepted auditing standards in Sweden always will detect actions or omissions that may give rise to a liability for damages against the Company, or a proposed disposition of the company's profit or loss that does not accord with the Swedish Companies Act.

As part of an audit according to generally accepted auditing standards in Sweden, we use our professional judgement and maintain a professionally sceptical attitude throughout the audit. Our audit of the management and the proposed appropriation of the company's profit or loss is primarily based on the audit of the accounts. The additional audit procedures performed are based on our professional judgement according to risk and materiality. This means that we focus our audit on those measures, areas and conditions that are material to the business and where deviations and breaches would have a particular importance for the company's condition. We review and examine the decisions taken, the evidence supporting those decisions, the actions taken and other matters relevant to our opinion on discharge. As a basis for our opinion on the Board of Directors' proposed appropriation of the Company's profit or loss, we have examined whether the proposal accords with the Swedish Companies Act.

#### Auditor's review of the ESEF report

#### Opinion

In addition to our audit of the annual accounts and consolidated financial statements, we have also verified that the annual accounts and consolidated financial statements have been prepared by the Board of Directors and the Chief Executive Officer in a format that permits consistent electronic reporting (the ESEF report) according to Chapter 16, Section 4 of the Swedish Securities Market Act (2007:528) for CTEK AB (publ) for 2023.

Our review and opinion relates only to the statutory requirement.

In our view, the ESEF report was prepared in a format that essentially allows uniform electronic reporting.

#### Basis for opinion

We conducted our review in accordance with FAR recommendation RevR 18 Auditor's Review of the ESEF Report. Our responsibilities under this recommendation are further described in the Auditor's Responsibilities section. We are independent of the CTEK AB (publ) in accordance with professional auditing practices 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 Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for ensuring that the ESEF report is prepared in accordance with Chapter 16, Section 4 of the Swedish Securities Market Act (2007:528) and for the existence of such internal controls that the Board of Directors and the Chief Executive Officer deem necessary to prepare the ESEF report free from material misstatements, whether fraudulent or by mistake.

### Auditor's Responsibilities

Our responsibility is to express a conclusion, with reasonable certainty, as to whether the ESEF report was prepared, in all material respects, in a form that complies with Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), on the basis of our review.

RevR 18 requires us to plan and perform our audit procedures to obtain reasonable certainty that the ESEF report is prepared in a format that meets these requirements.

Reasonable certainty is a high degree of certainty, but is not a guarantee that a review performed in accordance with RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement if one exists. Misstatements may result from fraud or by mistake and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the financial decisions of users taken on the basis of the ESEF report.

The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including guidelines or procedures for compliance with professional ethical requirements, standards for professional practice and applicable requirements in laws and other statutes.

The audit includes obtaining evidence, through a variety of procedures, that the ESEF report was prepared in a form that permits consistent electronic reporting of the annual accounts and consolidated financial statements. We choose which actions to take, including by assessing the risks of material misstatements, whether fraudulent or by mistake. In making these risk assessments, we consider internal controls relevant to the Board's and the Chief Executive Officer's preparation of the evidence 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 internal control. An audit also includes evaluating the appropriateness and reasonableness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Chief Executive Officer.

The audit procedures mainly include 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 financial statements.

Further, the audit also includes assessing whether the Group's income statement, balance sheet, statement of changes in equity, cash flow statement and the notes in the ESEF report have been marked iXBRL in compliance with the ESEF Regulation.

### Auditor's review of the corporate governance report

The Board of Directors is responsible for the corporate governance report on pages 15-26 and for ensuring that it is prepared in accordance with the Annual Accounts Act.

We conducted our audit in accordance with FAR recommendation RevR 16 Auditor's Review of the Corporate Governance Report. This means that our audit of the corporate governance 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.

A corporate governance report was prepared. Information in accordance with Section 6, second paragraph, items 2-6 of the Annual Accounts Act and Chapter 7, Section 31, second paragraph of the same act are consistent with the other parts of the annual accounts and consolidated financial statements and in accordance with the Annual Accounts Act.

KPMG AB, Box 382, 101 27, Stockholm, was appointed CTEK AB (publ)'s auditor by the Annual General Meeting on 11 May 2023. KPMG AB or auditors working at KPMG AB have been the Company's auditor since 2023.

Stockholm, 5 April 2024

KPMG AB

Henrik Lind
Certified 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 92 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 | 2023 | 2022 |
|---|---|---|
| Operating earnings | -230.4 | 36.2 |
| | | |
| **Items affecting comparability** | | |
| -Expenses related to supply chain restructuring | 4.2 | 4.9 |
| -Expenses related to reorganisation | 29.8 | 10.0 |
| -Other | 0.7 | - |
| - Costs related to customs audits regarding previous periods | 2.1 | - |
| Depreciation and impairment (+) | 308.5 | 72.0 |
| **Adjusted EBITDA** | **114.9** | **123.1** |
| Depreciation of non-M&A-related intangible assets (-) | -37.8 | -26.6 |
| Depreciation of tangible assets (-) | -18.1 | -17.3 |
| **Adjusted EBITA** | **59.0** | **79.2** |
| Impairments, non-M&A related fixed assets | -60.0 | - |
| Items affecting comparability | -36.9 | -14.9 |
| **EBITA** | **-37.9** | **64.3** |
| Depreciation, M&A driven fixed assets | -26.6 | -28.1 |
| Impairments, M&A driven fixed assets | -165.9 | - |
| **EBIT** | **-230.4** | **36.2** |
| Items affecting comparability | 36.9 | 14.9 |
| Non-recurring depreciation and impairment | 225.9 | - |
| **Adjusted EBIT** | **32.4** | **51.1** |

## GROWTH, GROUP

| Amounts in SEK million | 2023 | 2022 |
|---|---|---|
| Organic growth (%) | -12.3 | -3.5 |
| Currency effect (%) | 5.4 | 6.6 |
| **Sales growth (%)** | **-6.9** | **3.1** |

## GROSS MARGIN

| Amounts in SEK million | 2023 | 2022 |
|---|---|---|
| Net sales | 884.2 | 950.1 |
| Cost of goods sold | -443.0 | -472.0 |
| Gross profit | 441.2 | 478.1 |
| **Gross margin (%)** | **49.9** | **50.3** |

## NET DEBT

| Amounts in SEK million | 2023 | 2022 |
|---|---|---|
| **Current assets** | | |
| -Cash and cash equivalents | -192.3 | -10.0 |
| | | |
| **Long-term liabilities** | | |
| -Interest-bearing liabilities, including lease liabilities | 503.5 | 505.9 |
| -Interest-bearing lease liabilities | -5.7 | -9.8 |
| **Short-term liabilities** | | |
| -Interest-bearing liabilities, including lease liabilities | 7.1 | 188.3 |
| -Interest-bearing lease liabilities | -7.1 | -7.6 |
| **Total net debt** | **305.4** | **666.7** |
| | | |
| **Operating earnings** | **-230.4** | **36.2** |
| -Depreciation, amortisation and impairment of tangible and intangible assets | -308.5 | -72.0 |
| **EBITDA** | **78.1** | **108.1** |
| **Items affecting comparability** | **-36.9** | **-14.9** |
| **Adjusted EBITDA** | **114.9** | **123.1** |
| **Net debt/adjusted EBITDA** | **2.7x** | **5.4x** |

## MULTI-YEAR OVERVIEW

| Group | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| Net sales, SEK million | 884.2 | 950.1 | 921.8 | 706.3 | 635.4 |
| Operating earnings, SEK million | -230.4 | 36.2 | 81.8 | 142.7 | 68.3 |
| Operating margin, % | -26 | 4 | 9 | 20 | 11 |
| Balance sheet, SEK million | 1516.4 | 1708.3 | 1 566.4 | 1 453.9 | 1 363.0 |
| Equity, SEK million | 735.1 | 662.4 | 655.1 | 285.6 | 201.0 |
| Equity ratio, % | 48 | 39 | 42 | 20 | 15 |

# Definitions

| Dimensions: | Definition/Calculation | |
|---|---|---|
| **Interest-bearing net debt** | Interest-bearing liabilities adjusted for lease liabilities less interest-bearing assets and cash equivalents | |
| Alternative performance measures: | Definition/Calculation | Purpose |
| **EVSE share of net sales** | 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 earnings 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 and impairment of non-acquisition-related intangible assets of a non-recurring nature | 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 |
| **Adjusted EBIT** | Operating earnings before items affecting comparability as well as non-recurring depreciation and impairment | 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 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

### ANNUAL GENERAL MEETING ON 15 MAY 2024

The Annual General Meeting of CTEK AB (publ) will be held on Wednesday 15 May 2024 at 3:00 pm at Convendum, Vasagatan 16, 111 20 Stockholm, Sweden. Registration for the Annual General Meeting starts at 2:30 pm.

### PARTICIPATION

Shareholders wishing to attend the Annual General Meeting must
- Be entered in the share register maintained by Euroclear Sweden AB as of Monday 6 May 2024.
- Provide notice of their participation by Wednesday 8 May 2024.

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 Annual General Meeting by post.

Notice of participation can be provided as follows:
- **Via e-mail:** bolagsstamma@ctek.com
- **By post:** CTEK AB, Rostugnsvägen 3, 776 70 Vikmanshyttan, Sweden.

The notification must include the shareholder's name, personal/organisation number, address, daytime telephone number and the number of assistants, if any, up to a maximum of two, as well as details of any proxies.

### 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 Monday 6 May 2024. 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 2023 financial year.

### Nomination Committee

CTEK AB
Att: Valberedningen [Nomination Committee]
Rostugnsvägen 3
SE-776 70 Vikmanshyttan, Sweden

### FOR FURTHER INFORMATION, PLEASE CONTACT:

Henrik Fagrenius
President and CEO
henrik.fagrenius@ctek.se, +46 72 601 07 79

Marcus Korsgren
Senior Vice President Strategy and Communication
marcus.korsgren@ctek.se, +46 720 504 246

CTEK AB (publ), Corporate Registration Number 559217-4659,
Rostugnsvägen 3
SE-776 70 Vikmanshyttan, Sweden

### FINANCIAL CALENDAR

- Interim report, Q1, 2024: 14 May 2024
- Annual General Meeting 2024: 15 May 2024
- Interim report, Q2, 2024: 9 August 2024
- Interim report, Q3, 2024: 14 November 2024


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