

## CTEK AB (CTEK)

Sweden | Automotive Electronics | MCAP SEKm 924

18 January 2026

## Buy

Target price: SEK 20.8  
Current price: SEK 13.2  
Upside 57.6%

## Charging for Future Growth

CTEK AB ("CTEK" or "the Company") is a Swedish premium battery charging and power management specialist with a dominant position in Low Voltage charging and selective exposure to EV charging infrastructure ("EVSE"). The market materially underestimates the resilience and earnings power of CTEK's low-voltage business, which accounts for 87% of revenue and generates 60-65% gross margins, while overstating EVSE headwinds. After exiting the loss-making General Motors ("GM") contract and completing capital-intensive EVSE development programs, the EVSE segment is set to recover. It is expected to reach break-even in 2027 and stop diluting Low Voltage earnings. Combined with a premium mix shift and expansion into adjacent product categories where CTEK already has a strong brand, this is expected to drive an 8% revenue CAGR and expand EBIT margins from (4.0%) in 2024 to 13% by 2027. An equally weighted DCF and peer valuation, with CTEK trading at 8.1x 2027E EV/EBIT, imply an upside of 58% from current levels.

### Key Takeaways

- **Low Voltage is the value engine:** CTEK's Low Voltage business represents 87% of group revenue and is the Company's structural cash flow engine, supported by stable demand and 60-65% gross margins. The segment is exposed to OEMs, workshops and consumers rather than new car sales or EV penetration. The analysts estimate 8% CAGR in 2024-2027, growing segment revenue to 975 SEKm, driven by modest market growth, continued share gains in premium niches, and incremental revenue from upselling and adjacent product launches.
- **Margin expansion is structural, not cyclical:** CTEK is executing a deliberate shift toward premium platforms (NXT, CS ONE), with 40% of OEM volumes already committed to premium and 40% of consumer volumes expected to upgrade by 2028. These products generate 50-100% higher revenue per unit with low incremental cost, implying a 500-1000 bps gross margin uplift on upgraded volumes. Combined with a largely fixed SG&A base, declining R&D intensity, and falling D&A following one-off impairments in 2023-2024 creates meaningful operating leverage, with EBIT margins expected to expand from 7% in 2025 to 13% by 2027.
- **EVSE downside is capped, upside is mispriced:** The Company's EVSE segment is positioned for recovery after passing a structural investment trough, driven by the exit of the loss-making GM contract and the finalization of compliant product versions for the UK and German markets. Management commentary and customer dialogue suggest growth can now be captured through existing Charging Point Operator ("CPO") relationships, supporting a gradual recovery toward break-even by 2027, compared to an (80%) EBIT margin in 2024. Crucially, the EVSE represents an asymmetric option that the market currently underappreciates since the Low Voltage business alone generates 87% of sales and justify current valuation.

### Analysts

Axel Hockman	Financial Analyst
Edvin Ganic	Financial Analyst

### Market Data, SEK

Exchange	Nasdaq Stockholm
Shares (m)	70
MCAP (m)	924
EV (m)	1,251

Metrics & Drivers	25E	26E	27E
EV/EBIT	19.6x	11.3x	8.1x
EV/EBITDA	8.8x	6.9x	5.5x
EV/S	1.4x	1.2x	1.1x
P/E	31.9x	13.8x	7.2x
ND/EBITDA	2.3x	1.8x	1.4x

Forecast, SEKm	25E	26E	27E
Total revenue	867	1,009	1,165
Rev. growth y/y	(5.1%)	16.4%	15.4%
Gross Profit	497	577	664
Gross Margin	57.3%	57.2%	57.0%
EBITDA	142	183	226
EBITDA Margin	16.3%	18.1%	19.4%
EBIT	64	110	154
EBIT Margin	7.3%	10.9%	13.3%

### Major Shareholders

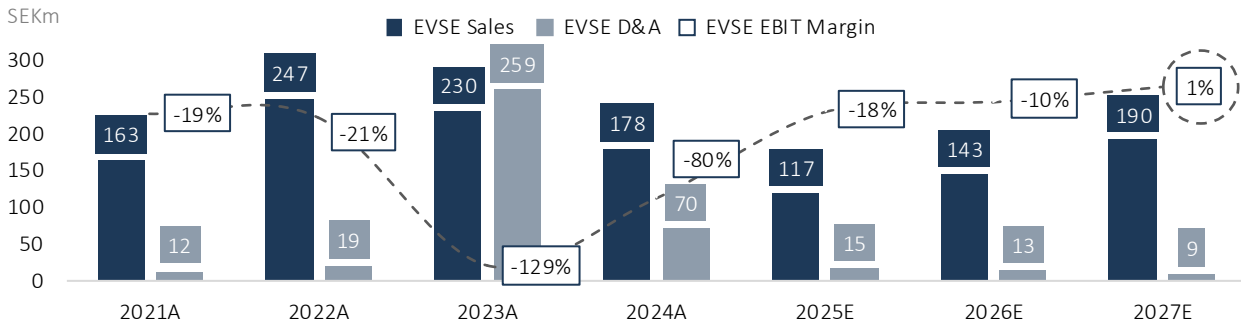
Latour AB	35.3%
Fjärde AP-Fonden	9.8%
Skirner AB	6.6%

### Price Development, SEK



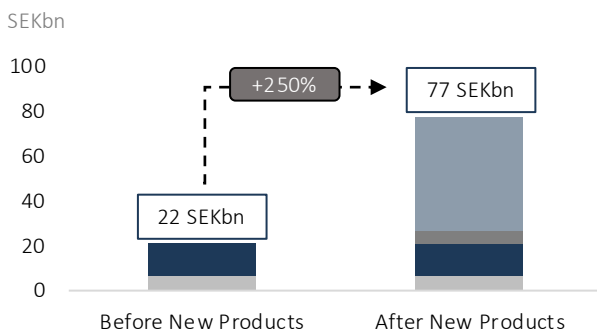
## Investment Thesis in Charts

### New EV Charging Products Targeting Underbuilt Markets Makes The Segment Go Break-Even By 2027



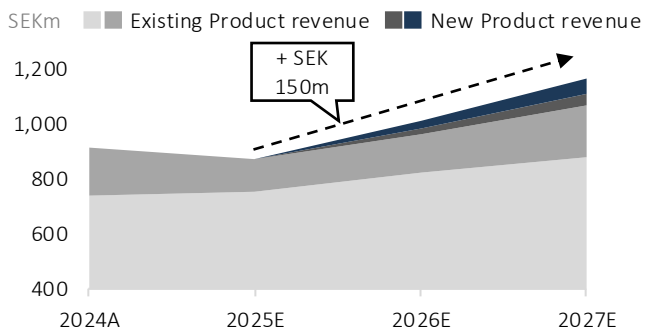
Source: Analyst estimates, the Company

### Increasing TAM By 250% Through Market Expansion



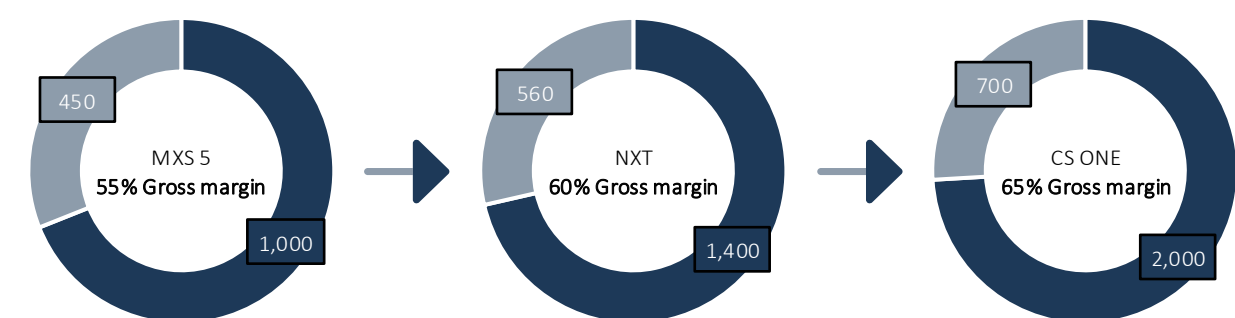
Source: the Company

### SEK 150m In Incremental Revenue From New Products



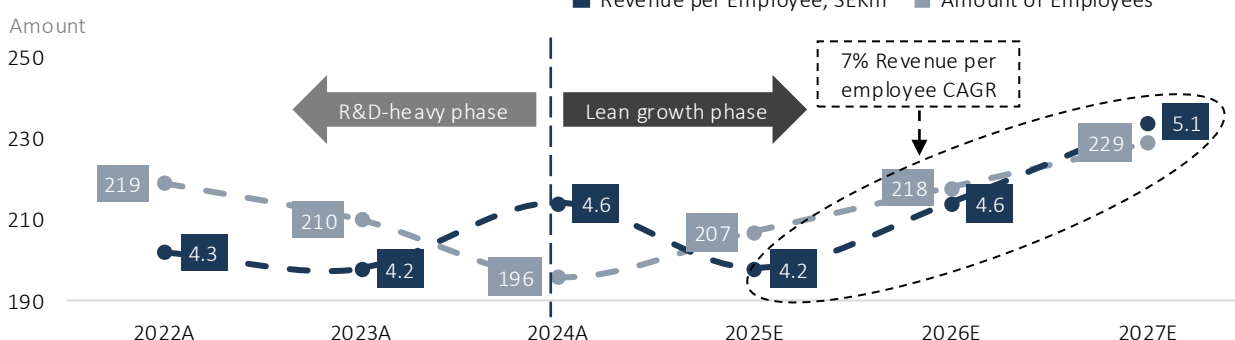
Source: Analyst estimates, the Company

### Margin Expansion Driven By Upselling Existing Customers



Source: Analyst estimates, management interviews

### Minimal New Hires Needed To Drive Revenue Growth



Source: Analyst estimates, the Company

## Investment Thesis

### Driving Revenue Growth Through Market Expansion

CTEK's entry into the adjacent product categories of Jump Starters and Power Solutions expands the Company's TAM from SEK 22bn to SEK 77bn, adding SEK 55bn of incremental TAM while requiring little to no additional sales infrastructure. Jump Starters target the SEK 6bn premium Jump Starter market, and Power Solutions address a SEK 49bn market for auxiliary charging in RVs and marine applications. More than 30 interviews with retailers such as Mekonomen and Jula confirm demand, with customers already requesting CTEK-branded boosters and retailers steering undecided buyers toward CTEK due to the brand strength and the Company's perceived quality and history of reliability. The analysts estimate a contribution of SEK 105m in incremental revenue by 2027, equivalent to 9% of group sales and 250 bps of CTEK's 8% revenue CAGR from 2024 to 2027. Premium Boosters are forecasted at 60-65% gross margin and Power Solutions at 45-55%, lifting group gross margin from 53% in 2024 to 57% in 2027E. With negligible incremental opex, the contribution converts efficiently into EBIT, supporting margin expansion from (4%) in 2024 to 13% in 2027. By 2027, the Low Voltage segment becomes more diversified, with Premium Boosters and Power Solutions accounting for 5% and 4% of group sales, respectively, compared to none today. Combined with a company-wide 110% mark-up, the expansion materially strengthens CTEK's product mix, reducing reliance on a single product category.

### Recovery in EV Charging Driven by New Compliant Products in Underdeveloped Markets

CTEK has completed two fully compliant versions of the Company's next-generation EV charger (CC3), enabling entry into the UK and German markets, which together represent the Company's largest untapped opportunity. These markets can be served through CTEK's existing customer base, where several of the Company's largest operators have communicated installation growth of more than 100% annually and confirmed that CTEK will be their primary supplier in both regions. All EV charging growth is driven by these two markets, with revenue increasing from SEK 117m in 2025 to SEK 190m in 2027, equivalent to a 27% CAGR and representing SEK 73m of incremental sales. In parallel, capitalized development costs fall from SEK 126m in 2024 to SEK 78m in 2025 and SEK 73m in 2026, reducing D&A from 14% of sales to 6% by 2027. Gross margin in the segment rises from 26% to 40% following the removal of the low-margin General Motors contract. These combined effects narrow EBIT margins from (80%) in 2024 to (11%) in 2026 and is estimated to bring the segment to break-even in 2027, eliminating the SEK 50m EBIT drag seen in 2024 and removing the single largest structural burden on group profitability.

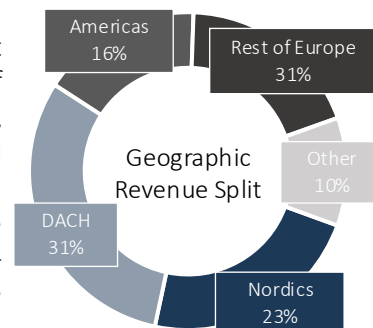
### Margin Expansion through Upselling

CTEK is executing a clear shift toward higher-priced premium chargers, which is a major driver of both revenue and margin expansion. On the OEM side, 40% of all current units are already committed to premium models, each generating 50-100% higher revenue per unit while carrying lower production costs, with 35-40% COGS compared to roughly 45% for the standard products. In the consumer channel, retailers confirm customer demand, and CTEK's new NXT and CS ONE platforms deliver 500-1,000 bps higher gross margins than the legacy MXS series due to selling prices of SEK 1,400-2,000 compared with SEK 1,000 for MXS. As this mix shift scales, low-voltage revenue increases from SEK 736m in 2024 to SEK 975m in 2027, of which SEK 94m is directly attributable to upselling into premium products. This lifts the low-voltage gross margin by 100 bps and helps drive the Company's gross margin from 53% in 2024 to 57% in 2027. With SG&A largely personnel-based and upselling requiring little headcount additions, the incremental revenue converts efficiently into profit, expanding the group EBIT margin from (4.0%) to 13% over the same period. The premium transition therefore represents one of the most impactful drivers of CTEK's SEK 381m total revenue increase and the return to structurally higher profitability.

## Company Overview

### Powering Premium Battery Charging Worldwide

CTEK is a Swedish technology company focused on battery charging and power management solutions. Founded in 1997, the Company operates within two main product categories: premium 12V and 24V battery chargers (“Low Voltage”) and electric vehicle charging equipment (“EVSE”). Product development and testing are conducted in-house, with approximately 30% of employees engaged in R&D, while manufacturing is largely outsourced to factories in China, Malaysia and Mexico. The Company operates through two divisions: Consumer and Professional. The Consumer division accounts for roughly 65% of group revenue and serves end customers through retailers, distributors, workshops, and e-commerce platforms. The Professional division serves OEMs, charging operators, and property owners, offering both low-voltage solutions and destination-focused EV charging infrastructure. CTEK has sales in more than 70 countries and maintains long-term relationships with over 50 premium automotive OEMs. Low Voltage products represent approximately 87% of total revenue in 2025, with the remaining share derived from EVSE.



## Business Model

### Premium Chargers, Asset-Light Model, Multi-Channel Global Distribution

CTEK’s business model is based on the development and sale of premium battery charging and power management products, primarily generating revenue through one-off product sales. The Company operates an asset-light model, where product development, software, and testing are conducted in-house, while manufacturing is largely outsourced to long-term partners. Capital expenditure is mainly focused on R&D and product platforms, with limited PP&E requirements. Sales are conducted through a multi-channel distribution model where approximately 75% of consumer sales are generated via retailers and e-commerce platforms, while the remainder is sold through workshops and distributors. Professional sales are primarily directed toward OEMs, charging operators, energy companies, and property owners, often involving customized products or project-based deliveries. The Company benefits from a broad installed customer base and long-standing relationships, particularly within the premium automotive OEM segment.

Customers	
Consumer	Professional
Mekonomen	APCOA PARKING
JULA	VATTENFALL
Clas Ohlson	aimo park
amazon	Lamborghini
	PORSCHE

## Market Overview

### Low Voltage

The global low-voltage battery charging market is fragmented overall but concentrated in the premium segment, where CTEK holds an estimated 10% global share. The market grows at 6% CAGR, driven by higher battery complexity and expanding use cases (motorcycles, RVs, marine).

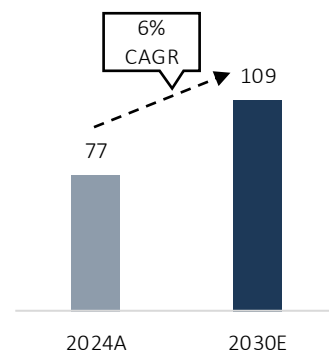
The premium niche is brand-driven, where product differentiation on quality and price is limited, making brand strength the key purchasing factor. Dominant players such as CTEK and Noco therefore compete primarily on brand rather than product features.

### EVSE

The European EV charging hardware market, where CTEK holds an estimated 1% share, is highly fragmented, with intense price competition in home charging. However CTEK’s focus, destination charging, is structurally different: less price-sensitive and driven by uptime, compliance and service.

End customers are CPO’s such as Apcoa and Aimopark, whose priority is delivering a frictionless experience to parking asset owners. As a result, purchasing decisions are relationship-driven, favouring suppliers with proven reliability over marginal price differences.

CTEK’s Adressable Market  
SEKbn



## Valuation

### Discounted Cash Flow Valuation Implies an Upside of 60%

The DCF is based on forecasted unlevered free cash flows through 2035. FCFE increases from SEK 99m in 2025 to SEK 225m in 2035, driven by NOPAT growth from SEK 51m to SEK 245m as EBIT margins stabilize at roughly 15% following a mix shift toward premium Low Voltage products and EVSE reaching break-even. D&A declines from elevated levels in 2023-2024, reflecting large non-recurring impairments and amortizations related to EVSE and the termination of an unprofitable contract with General Motors, and stabilizes around SEK 70-80m in the outer years as capitalized development costs normalize. Capex is modeled at SEK 59-66m in 2025-2027 and increases gradually thereafter, converging toward D&A in the long term, reflecting a shift from development-heavy investments to maintenance capex. Net working capital effects remain moderate at SEK 15-17m per year as inventory and receivables grow in line with sales. Applying a WACC of 10.9% and a terminal growth rate of 2.5% results in an enterprise value of SEK 1.807bn and an equity value of SEK 21.1 per share, implying 64% upside versus the current share price.

DCF Breakdown		WACC						
Sum of PV of FCF, SEKm	923.5	TGR	SEK	9.9%	10.4%	10.9%	12.9%	14.9%
PV of TV, SEKm	883.5		(1.0%)	18.7	17.9	17.1	14.3	11.9
EV, SEKm	1,806.9		1.0%	20.9	20.0	19.1	15.9	13.3
Net Debt, SEKm	327.0		2.5%	23.2	22.1	21.1	17.6	14.7
Equity Value, SEKm	1,479.9		3.0%	24.1	23.1	22.0	18.3	15.2
NOSH (m)	70.0		4.0%	26.5	25.3	24.1	20.0	16.7
Implied Share Price, SEK	21.1							
Current Share Price, SEK	13.2							
Implied Upside	60.2%							

### Comparable Company Analysis Implies an Upside of 54%

The comps analysis uses a sum-of-the-parts approach for CTEK's two segments. The EVSE business is valued at 14.0x EV/EBIT 2027E, while the Low Voltage business is valued at 11.0x, reflecting size- and historical performance-related discounts of 20% and 15% to the median, respectively. Based on their respective shares of total sales, this implies enterprise values of SEK 259m for EVSE and SEK 1,495bn for the Low-Voltage business. This implies a total enterprise value of SEK 1.754bn and an equity value of SEK 20.4 per share, corresponding to 60% upside versus the current share price.

	SEKm	MCAP	EV	Sales CAGR	Gross Margin	EV/EBITDA		EV/EBIT	
	Company	SEKm	SEKm	2024A - 2027E	2027E	2025E	2027E	2025E	2027E
EVSE	Zaptec	1,899	1,725	7.1%	42.1%	16.3x	9.9x	23.0x	11.9x
	Kempower	9,211	9,029	5.9%	44.1%	5.0x	13.3x	40.8x	18.5x
	Alfen	2,549	2,892	1.0%	28.7%	9.4x	6.5x	35.2x	17.6x
	Median	2,549	2,892	5.9%	42.1%	9.4x	9.9x	35.2x	17.6x
	Average	4,553	4,549	4.7%	38.3%	10.2x	9.9x	33.0x	16.0x
Low Voltage	Fiskars	11,032	17,523	3.2%	47.5%	11.2x	8.1x	20.3x	12.9x
	Dometic	15,668	25,690	0.2%	31.2%	8.4x	7.1x	14.2x	10.7x
	Thule	25,471	29,045	6.8%	46.1%	14.5x	11.8x	19.8x	13.4x
	Median	15,668	25,690	3.2%	46.1%	11.2x	8.1x	19.8x	12.9x
	Average	17,390	24,086	3.4%	41.6%	11.4x	9.0x	18.1x	12.3x
	CTEK	924	1,251	8%	57.0%	8.8x	5.5x	19.6x	8.1x

## Appendix – Group Income Statement

Income statement, SEKm	2021A	2022A	2023A	2024A	2025E	2026E	2027E
<b>Total revenue</b>	<b>922</b>	<b>950</b>	<b>884</b>	<b>914</b>	<b>867</b>	<b>1,009</b>	<b>1,165</b>
% change		3.0%	(6.9%)	3.4%	(5.1%)	16.4%	15.4%
COGS	430	465	429	429	370	432	500
% of sales	46.6%	48.9%	48.5%	46.9%	42.7%	42.8%	43.0%
<b>Gross profit</b>	<b>492</b>	<b>485</b>	<b>455</b>	<b>485</b>	<b>497</b>	<b>577</b>	<b>664</b>
Gross margin	53.4%	51.1%	51.5%	53.1%	57.3%	57.2%	57.0%
SG&A	342	377	377	395	355	395	438
% of sales	37.1%	39.7%	42.7%	43.3%	41.0%	39.1%	37.6%
<b>EBITDA</b>	<b>150</b>	<b>108</b>	<b>78</b>	<b>90</b>	<b>142</b>	<b>183</b>	<b>226</b>
EBITDA margin	16.2%	11.3%	8.8%	9.8%	16.3%	18.1%	19.4%
D&A	69	72	309	126	78	73	72
% of sales	7.5%	7.6%	35.0%	13.8%	9.0%	7.2%	6.2%
<b>EBIT</b>	<b>81</b>	<b>36</b>	<b>(231)</b>	<b>(36)</b>	<b>64</b>	<b>110</b>	<b>154</b>
EBIT margin	8.7%	3.7%	(26.2%)	(4.0%)	7.3%	10.9%	13.3%

## Appendix – EVSE Segment Income Statement

Income statement, SEKm	2021A	2022A	2023A	2024A	2025E	2026E	2027E
<b>Total revenue</b>	<b>163</b>	<b>247</b>	<b>230</b>	<b>178</b>	<b>117</b>	<b>143</b>	<b>190</b>
% of sales	17.7%	26.0%	26.0%	19.5%	13.5%	14.2%	16.3%
COGS	121	183	170	132	70	86	114
% of sales	74.0%	74.0%	74.0%	74.0%	60.0%	60.0%	60.0%
<b>Gross profit</b>	<b>42</b>	<b>64</b>	<b>60</b>	<b>46</b>	<b>47</b>	<b>57</b>	<b>76</b>
Gross margin	26.0%	26.0%	26.0%	26.0%	40.0%	40.0%	40.0%
SG&A	61	98	98	119	53	59	66
% of sales	37.1%	39.7%	42.7%	66.8%	45.6%	41.4%	34.6%
<b>EBITDA</b>	<b>(18)</b>	<b>(34)</b>	<b>(38)</b>	<b>(73)</b>	<b>(6)</b>	<b>(2)</b>	<b>10</b>
EBITDA margin	(11.1%)	(13.7%)	(16.7%)	(40.8%)	(5.6%)	(1.4%)	5.4%
D&A	12	19	259	70	15	13	9
% of sales	7.5%	7.6%	112.7%	39.4%	12.8%	9.1%	4.7%
<b>EBIT</b>	<b>(30)</b>	<b>(53)</b>	<b>(298)</b>	<b>(143)</b>	<b>(21)</b>	<b>(15)</b>	<b>1</b>
EBIT margin	(18.6%)	(21.3%)	(129.4%)	(80.1%)	(18.4%)	(10.5%)	0.7%

## Appendix – Brand Strength & Importance

We surveyed 34 retailers that sell battery chargers to assess (1) the strength of CTEK's brand and (2) the extent to which the battery charger market is brand-driven. The results are presented below.

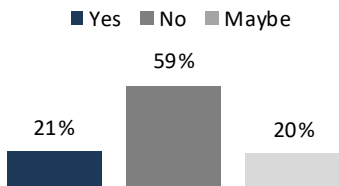
On a scale of 1-10, how many of your customers know *company name* beforehand?



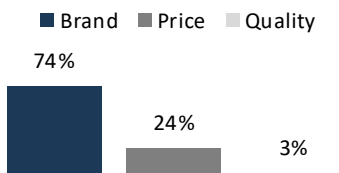
Which low voltage charger brand do most customers choose?



If another brand offered a similar product at a 10% lower price, would the customer buy that instead?



Why do you think most customers choose that particular brand?



### Conclusion

The survey confirmed our hypothesis that the battery charger market is highly brand-driven and that CTEK's primary competitive advantage lies in its strong brand equity. Furthermore, the results reinforce our conviction that CTEK is well positioned to capitalize on its ongoing market expansion.

### Key insights: selected retailer quotations

CTEK sells the most in Europe, and that is solely because they have a strong brand here.

Manager  
Mekonomen Malmö

Noco is currently stronger in boosters, but if CTEK has a similar price, customers will definitely gradually shift over to them due to their strong brand.

Manager  
Mekonomen Lund

We often steer customers toward CTEK when they don't know what they need.

Manager  
Clas Ohlson Malmö

CTEK has the strongest brand. Customers often come in asking for it and it's also what we recommend.

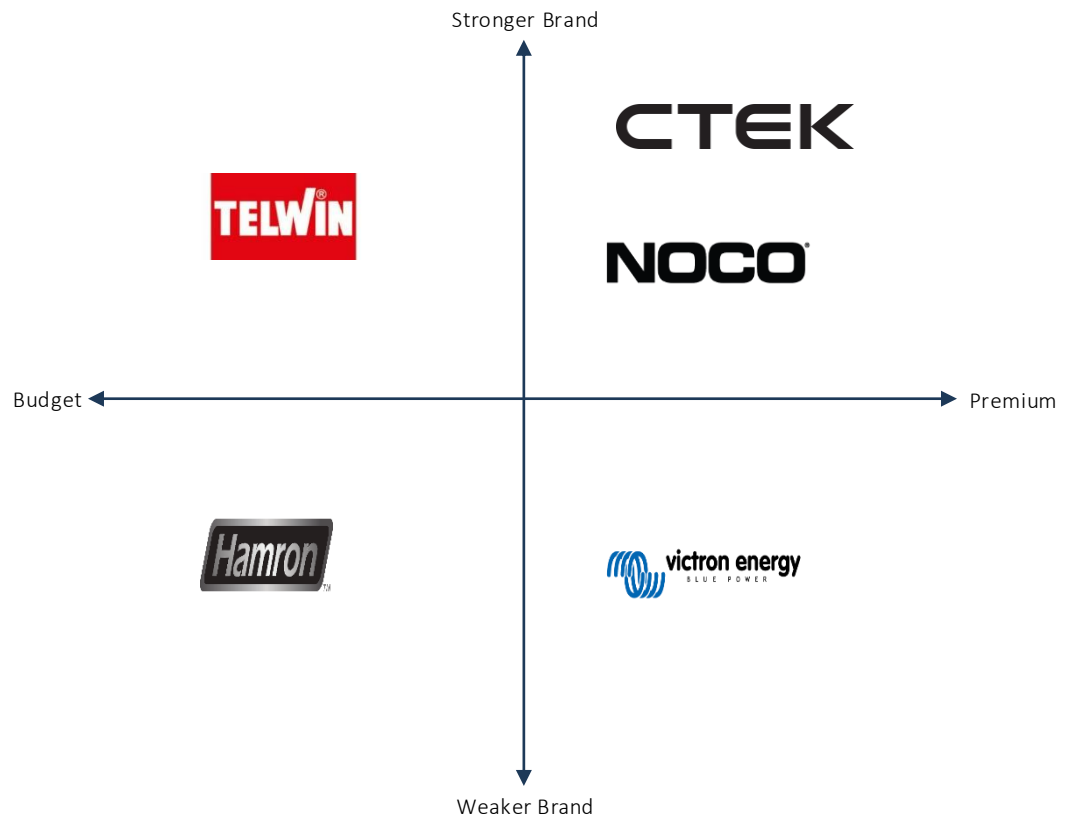
Sales Clerk  
Jula Malmö



## Appendix – Competitive Landscape

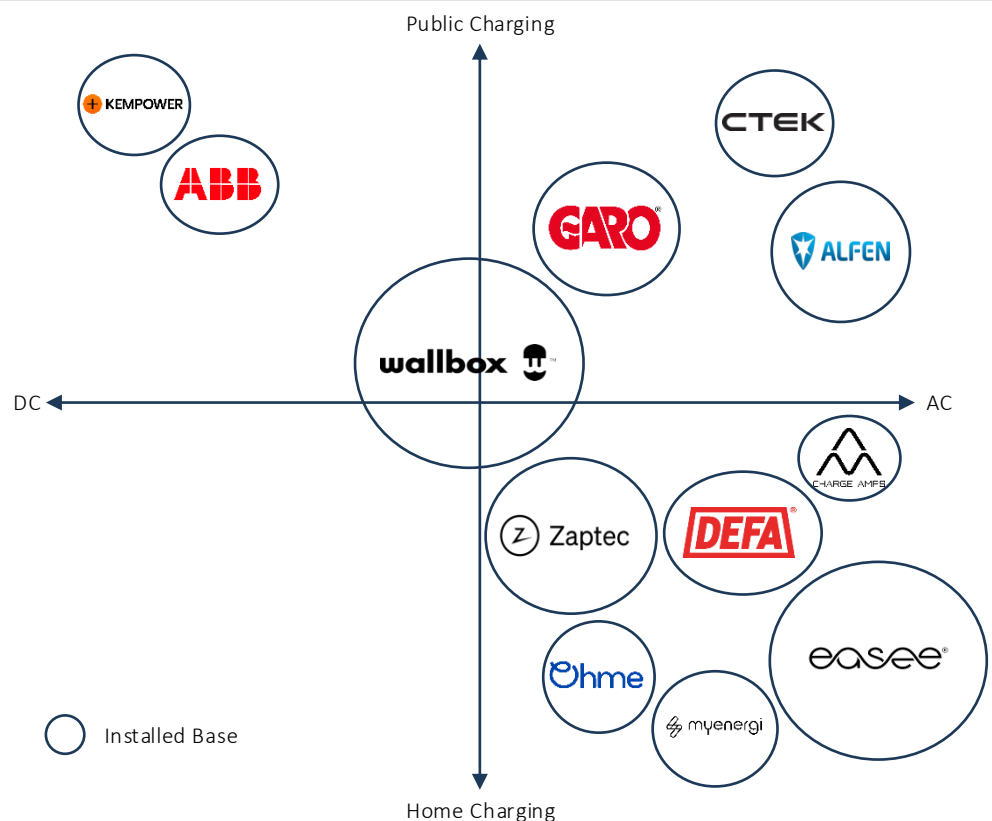
### Low voltage

- Moderately concentrated premium segment; fragmented overall in 12V/24V smart chargers.
- CTEK is global premium leader (~10% share)
- Main competitor: NOCO: strong in boosters and portable solutions



### EVSE

- Fragmented EV charging market, no dominant player across Europe.
- Home AC market dominated by volume players: Easee, myenergi, Ohme
- Destination charging is less price-sensitive, valuing reliability and professional support.





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### Disclaimer

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