



YEAR-END REPORT 2021

A YEAR OF STRONG GROWTH AND HIGH PROFITABILITY

OCTOBER – DECEMBER 2021

- Net sales amounted to MSEK 370.1 (306.3).
- Growth was 21% (10).
- EBIT amounted to MSEK 57.7 (49.5).
- EBIT margin amounted to 15.6% (16.2).
- Net income was MSEK 46.4 (34.4).
- Earnings per share amounted to SEK 0.93 (0.69).

JANUARY – DECEMBER 2021

- Net sales amounted to MSEK 1,295.8 (1,039.8).
- Growth was 25% (3).
- EBIT amounted to MSEK 207.2 (136.2).
- EBIT margin amounted to 16.0% (13.1).
- Net income was MSEK 166.7 (95.3).
- Earnings per share amounted to SEK 3.33 (1.91).
- The Board proposes a dividend of SEK 1.40 per share (0.95).

EVENTS AFTER THE END OF THE QUARTER

- From January 1, 2022, GARO reports operations divided into the business areas of GARO Electrification and GARO E-mobility.
- A decision has been made to invest in a new production and logistics facility in Poland with construction starting in the second quarter of 2022.

GARO Group key figures ¹	Oct-Dec 2021	Oct-Dec 2020	+/- %	Jan-Dec 2021	Jan-Dec 2020	+/- %
Net sales, MSEK	370.1	306.3	21	1,295.8	1,039.8	25
EBITDA, MSEK	68.1	56.3	21	243.0	163.2	49
EBITDA margin, %	18.4	18.4		18.8	15.7	
EBIT, MSEK	57.7	49.5	17	207.2	136.2	52
EBIT margin, %	15.6	16.2		16.0	13.1	
Net income, MSEK	46.4	34.4	35	166.7	95.3	75
Earnings per share, SEK	0.93	0.69	35	3.33	1.91	75
Cash flow from operating activities, MSEK	47.6	82.6		121.7	86.9	
Investments, MSEK	11.3	9.5		45.3	45.3	
Depreciation, MSEK	10.3	6.7		35.8	27.0	
Equity ratio, %	58.9	57.9		58.9	57.9	
Equity per share, SEK	11.03	8.60		11.03	8.60	
Return on equity, %	34.0	24.7		34.0	24.7	
Net debt (+) / net cash position (-), MSEK	-9.4	11.3		-9.4	11.3	

¹⁾ For definitions of key figures, see page 19.

CEO's comments on the quarter and fiscal year

A YEAR OF STRONG GROWTH AND HIGH PROFITABILITY

It is gratifying that GARO can summarize its best ever fiscal year in terms of sales and earnings. Net sales increased 25% with strong growth for GARO Sweden and GARO International and a strong performance for all product areas in both business areas. Profitability developed positively mainly as a result of the considerable volume growth. EBIT rose 52% and the EBIT margin was 16.0%, which is almost 3 percentage points high than the preceding year.

FOURTH QUARTER DEVELOPMENT

Net sales for the fourth quarter increased 21% and amounted to MSEK 370 (306). Sales in the E-mobility product area increased 35%, with favorable sales mainly in AC charging (wall boxes and public chargers). However, access to electronic components remained strained and, despite high deliveries in December, a considerable order book remains. The Electrical distribution products, Project business & Temporary Power product areas performed well in GARO Sweden and GARO International. We believe that our sales trend in the Electrical distribution products product area has been better than the underlying markets. For GARO Sweden, sales remained high in the new construction, renovation and the energy efficiency of properties. For GARO International, we have benefited from the expansion of charging infrastructure, that has also led to higher sales in the product areas of Project business and Electrical distribution products, which demonstrates the synergies present in GARO and the strength of our broad product offering.

To increase focus and clarity, we have resolved on a new segment distribution. From January 1, 2022, the business areas GARO E-mobility and GARO Electrification replaced the previous business areas of GARO Sweden and GARO International.

AGGRESSIVE INVESTMENTS

Owing to substantial growth, mainly in the E-mobility product area, we resolved to invest in a new production and logistics facility in Szczecin, Poland after the end of the period. The new facility will be built in close proximity to the existing facility, strategically located for the rapidly growing European market, and amount to approximately 15,000 square meters, facilitating a considerable increase in capacity. The facility is planned to be completed by summer 2023 and the existing facility has sufficient production capacity until the new facility is operational.

In 2021, we continued to develop our customer offering in the E-mobility product area and further strengthened the already significant synergy effects with the Electrical distribution products and Project business product areas. We will also be launching a number of new exciting and innovative products in 2022, mainly in the E-mobility product area.

MATERIALS SUPPLY

During the year, the situation regarding components and supplies was uncertain, which was also the case in the fourth quarter. The challenge has been managed by remaining solution-oriented and focusing on the customer. We have successfully succeeded in acquiring material and have maintained satisfactory delivery capacity. Despite this, we have still not been able to fully meet market demand in the E-mobility product area, mainly due to limited access to electronic components. In addition, we have continued our aggressive investment during the quarter to expand production capacity, mainly in the E-mobility product area, to be ready for when the supply of materials begins to normalize. However, uncertainty concerning the supply of components remains.

MARKET CONDITIONS

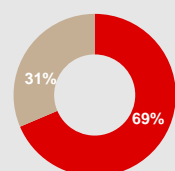
The market for charging infrastructure is growing structurally with rising numbers of rechargeable vehicles, and we have noted a continuing strong trend with further expansion of the charging infrastructure in the European market. Housing construction remains at a high production rate with increased energy efficiency and electrification in general. Demand for construction-related products combined with renovation requirements and energy efficiency is expected to remain favorable.

All in all, we have a positive view of long-term market conditions, mainly driven by growth in charging infrastructure.

Patrik Andersson

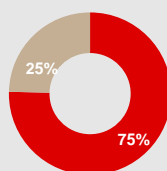
President and CEO

Allocation of net sales by business area, Jan–Dec 2021



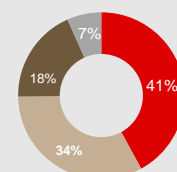
■ GARO Sweden
■ GARO International

Allocation of EBIT by business area, Jan–Dec 2021



■ GARO Sweden
■ GARO International

Allocation of net sales by product area, Jan–Dec 2021



■ Electrical distribution products
■ E-mobility
■ Project business
■ Temporary power

Group figures

NET SALES

Net sales for the fourth quarter amounted to MSEK 370, a rise of 21% compared with the same quarter in 2020. Net sales for the full-year 2021 amounted to MSEK 1,296, corresponding to growth of 25%. The increased sales have taken place entirely through organic growth.

Analysis of change in	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	2021 (MSEK)	2021 (%)	2021 (MSEK)	2021 (%)
Year-earlier period	306.3		1,039.8	
Organic growth	63.8	21%	249.3	24.5%
Acquisitions and structural changes	0	0	5.8	0.5%
Exchange-rate effects	0	0	0.9	0.0
Current period	370.1	21%	1,295.8	25%

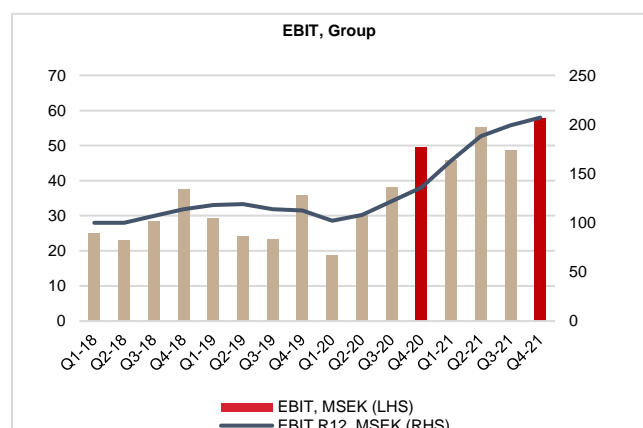
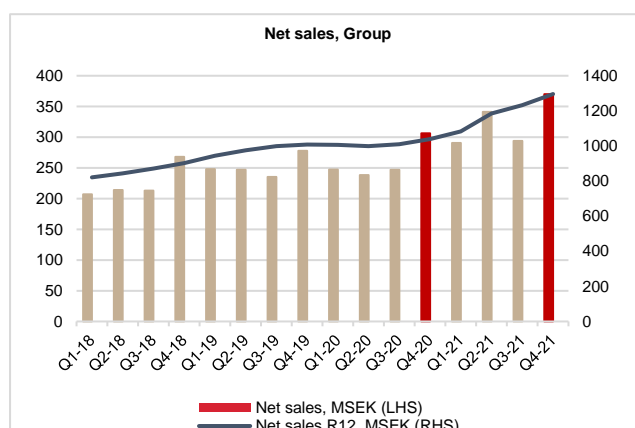
For definitions of key figures, see page 19

EBIT

EBIT for the quarter improved to MSEK 57.7 (49.5) and the EBIT margin amounted to 15.6% (16.2). High sales primarily in the E-mobility and Electrical distribution products product areas led to volume effects corresponding to about MSEK 15 of positive earnings effects for the quarter compared with the year-earlier quarter. During the quarter, EBIT was impacted by costs in GARO International for continued market activities in Ireland and the UK as well as strengthening resources in Poland. The volume increase, together with efficient production and a beneficial product mix, are the main reasons for the quarter's strong EBIT.

EBIT for the full-year 2021 amounted to MSEK 207.2 (136.2) and the EBIT margin amounted to 16.0% (13.1).

Currency effects in EBIT for the quarter amounted to MSEK 0.4 (5.5) and amounted to MSEK 4.6 (7.7) for the full-year 2021 in which EUR has remained relatively stable against SEK.



NET INCOME

Net financial items amounted to MSEK 1.4 (-4.6) for the quarter and included currency effects from loans and hedging in foreign currency. Currency effects attributable to revaluations in hedging amounted to MSEK 0.5 (-2.0) for the quarter and MSEK 3.2 (-3.9) for the full-year.

Net income amounted to MSEK 46.4 (34.4) for the quarter, and earnings per share amounted to MSEK 0.93 (0.69). The tax expense amounted to MSEK 12.7 (10.5) generating an average effective tax rate of 21.5% (23.3).

Net income for the full-year 2021 amounted to MSEK 166.7 (95.3) and earnings per share amounted to MSEK 3.33 (1.91). The tax expense amounted to MSEK 41.7 (27.7) generating an average effective tax rate of 20.0% (22.5).

CASH FLOW AND INVESTMENTS

Cash flow from operating activities for the quarter amounted to MSEK 47.6 (82.6). A higher EBIT was counteracted by continued high tied-up working capital compared with the year-earlier quarter. The higher tied-up working capital is mainly the result of greater component inventories and higher accounts receivable, due to tactical material purchases and higher sales at the end of the quarter. Cash flow from operating activities for the full-year 2021 amounted to MSEK 121.7 (86.9).

Investments for the quarter amounted to MSEK 11.3 (9.5), of which MSEK 8.5 (8.0) pertained to product development. Investments for the full-year 2021 amounted to MSEK 45.3 (39.0), of which MSEK 26.5 (24.6) pertained to product development. The company has invested in right-of-use assets (leases and rental contracts) amounting to MSEK 7.0 (9.8) during the full-year 2021.

LIQUIDITY AND FINANCIAL POSITION

The Group's net cash at the end of the period amounted to MSEK 9.4 (net debt: MSEK 11.3). The Group's net cash excluding lease liabilities, which is to say effects of IFRS 16, amounted to MSEK 45.2 (26.7). Available liquidity in the Group, including unutilized overdraft facilities, amounted to MSEK 182.0 (166.7) and the equity ratio was 58.9% (57.9).

THE GARO SHARE

The 2021 Annual General Meeting resolved on a 5:1 share split, meaning that each existing share was replaced with five new shares. The share split was completed during the second quarter.

At the end of the period, the number of shares amounted to 50,000,000 (10,000,000). The average number of shares, adjusted for the split, amounted to 50,000,000 (10,000,000) for the fourth quarter and 50,000,000 (10,000,000) for the full-year 2021.

Figures pertaining to dividends and earnings per share for previous periods have been recalculated in the report based on the new number of shares.

EVENTS AFTER THE END OF THE QUARTER

From January 1, 2022, for increased focus and clarity, GARO reports operations divided into the business areas of GARO Electrification and GARO E-mobility. In addition, an investment decision was made for a new production and logistics facility in Poland with construction start in the second quarter of 2022. The facility will be constructed in close proximity to the existing establishment in Szczecin, close to the European market and with favorable logistics conditions. The investment amounts to about MSEK 85.

Asides from the above, from the end of the period until the publication of this report, no significant events or conditions have occurred, favorable or unfavorable, that would require further disclosures.

DIVIDEND

The Board proposes a dividend for the 2021 fiscal year of SEK 1.40 per share (0.95), corresponding to a total dividend of MSEK 70 (47.5), which comprises 42% (50) of earnings after tax.

NOMINATION COMMITTEE AND THE 2022 ANNUAL GENERAL MEETING

The members appointed to the Nomination Committee ahead of the 2022 Annual General Meeting are: Lars Kongstad, appointed by Lars Svensson, Fredrik Carlsson appointed by Svolder AB, Ulrik Grönvall appointed by Swedbank Robur Funds and Rickard Blomqvist in his capacity as Chairman of GARO AB. The 2022 Annual General Meeting will take place on Wednesday, May 11, 2022 in Gnosjö, Sweden. Please visit www.garo.se for more information.

Business areas

GARO has divided its operations into two business areas: GARO Sweden and GARO International. GARO Sweden comprises the Swedish companies including Group external exports from Sweden, and GARO International comprises the companies in Norway, Finland, Ireland, Poland and the UK. This segment distribution was revised as of January 1, 2022 to GARO E-mobility and GARO Electrification.

INCOME FROM CUSTOMERS SPECIFIED BY PRODUCT AREA AND BUSINESS AREA (OCT-DEC)

Product area (MSEK)	GARO Sweden			GARO International			Total		
	Oct-Dec 2021	Oct-Dec 2020	growth, %	Oct-Dec 2021	Oct-Dec 2020	growth, %	Oct-Dec 2021	Oct-Dec 2020	growth, %
Electrical distribution products	79.6	77.7	2%	63.2	55.0	15%	142.8	132.7	8%
E-mobility	103.7	70.0	48%	30.7	29.2	5%	134.4	99.2	35%
Project business	51.1	42.8	19%	16.3	12.4	31%	67.4	55.2	22%
Temporary Power	23.7	18.2	30%	1.8	1.6	13%	25.5	19.8	29%
Currency effects							0	-0.6	0%
Total	258.1	208.7	24%	112.0	98.2	14%	370.1	306.3	21%

INCOME FROM CUSTOMERS SPECIFIED BY PRODUCT AREA AND BUSINESS AREA (JAN-DEC)

Product area (MSEK)	GARO Sweden			GARO International			Total		
	Jan-Dec 2021	Jan-Dec 2020	growth, %	Jan-Dec 2021	Jan-Dec 2020	growth, %	Jan-Dec 2021	Jan-Dec 2020	growth, %
Electrical distribution products	294.4	275.3	7%	237.4	203.5	17%	531.8	478.8	11%
E-mobility	339.8	194.0	75%	97.3	94.2	3%	437.1	288.2	52%
Project business	176.8	174.1	2%	61.9	39.1	58%	238.7	213.2	12%
Temporary Power	81.6	54.7	49%	5.7	5.6	2%	87.3	60.3	45%
Currency effects							0.9	-0.7	0%
Total	892.6	698.1	28%	402.3	342.4	17%	1295.8	1039.8	25%

INCOME FROM CUSTOMERS BASED ON GEOGRAPHIC LOCATION (OCT-DEC)

Geographic location (MSEK)	GARO Sweden			GARO International			Total		
	Oct-Dec 2021	Oct-Dec 2020	growth, %	Oct-Dec 2021	Oct-Dec 2020	growth, %	Oct-Dec 2021	Oct-Dec 2020	growth, %
Sweden	238.9	200.8	19%	0	0	0%	238.9	200.8	19%
Norway	0	0	0	42.8	47.2	-9%	42.8	47.2	-9%
Ireland	0	0	0	33.5	31.0	8%	33.5	31.0	8%
Finland	0	0	0	15.5	9.0	72%	15.5	9.0	72%
Other countries	19.2	7.9	143%	20.2	11.0	84%	39.4	18.9	108%
Currency effects							0	-0.6	0%
Total income from customers	258.1	208.7	24%	112.0	98.2	14%	370.1	306.3	21%

INCOME FROM CUSTOMERS BASED ON GEOGRAPHIC LOCATION (JAN-DEC)

Geographic location (MSEK)	GARO Sweden			GARO International			Total		
	Jan-Dec 2021	Jan-Dec 2020	growth, %	Jan-Dec 2021	Jan-Dec 2020	growth, %	Jan-Dec 2021	Jan-Dec 2020	growth, %
Sweden	826.5	678.5	22%	0	0	0%	826.5	678.5	22%
Norway	0	0	0%	162.7	173.2	-6%	162.7	173.2	-6%
Ireland	0	0	0%	131.5	114.0	15%	131.5	114.0	15%
Finland	0	0	0%	48.3	31.2	55%	48.3	31.2	55%
Other countries	66.1	19.6	237%	59.8	24.0	149%	125.9	43.6	189%
Currency effects							0.9	-0.7	0%
Total income from customers	892.6	698.1	28%	402.3	342.4	17%	1295.8	1039.8	25%

GARO Sweden

NET SALES AND EARNINGS

Net sales for GARO Sweden amounted to MSEK 258.1 for the fourth quarter, compared with MSEK 208.7 for the year-earlier quarter. The business area reported growth in all product areas, where the highest growth of 48% was noted in the E-mobility product area, compared with last year.

EBIT for the quarter improved to MSEK 48.2 (38.3) and the EBIT margin amounted to 18.7% (18.4). The margin for the quarter improved as a result of increased sales volumes, primarily in E-mobility of the more advanced home chargers. During the quarter, GARO launched a new online platform that has a stronger customer focus and enables more efficient communication for professional customers and consumers.

For the full-year 2021, net sales in GARO Sweden amounted to MSEK 892.6 (698.1) with an EBIT corresponding to MSEK 151.5 (90.2), leading to growth of 28% and a strengthened EBIT margin of almost 4 percentage points.

The number of employees at the end of the period was 284 (240). Resources have primarily been strengthened within production and sales as well as service and support. In addition, GARO contracted around 35 temporary personnel in production.

GARO Sweden		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Key figures		2021	2020	2021	2020
Net sales	MSEK	258.1	208.7	892.6	698.1
Growth	%	24	11	28	5
EBIT	MSEK	48.2	38.3	151.5	90.2
EBIT margin	%	18.7	18.4	17.0	12.9
Investments	MSEK	9.7	8.6	37.3	42.1
Depreciation	MSEK	9.0	5.7	31.2	22.6
Number of employees		284	240	284	240

For definitions of key figures, see page 19

PRODUCT AREAS

ELECTRICAL DISTRIBUTION PRODUCTS

Sales in the Electrical distribution products product area increased 2% during the quarter compared with the year-earlier quarter. GARO has continued to record high sales in the customer segments of new construction, renovation and energy efficiency of properties, while the underlying market as a whole is assessed to be unchanged compared with 2020. During the quarter, the sales trend in the Electrical distribution products product area varied depending on product group, with industrial products performing well. We have also recorded favorable sales of engine heaters, in which GARO holds a leading position in the Nordic region. The assessment is that the sales trend in the Electrical distribution products product area performed markedly better than the underlying market in the quarter.

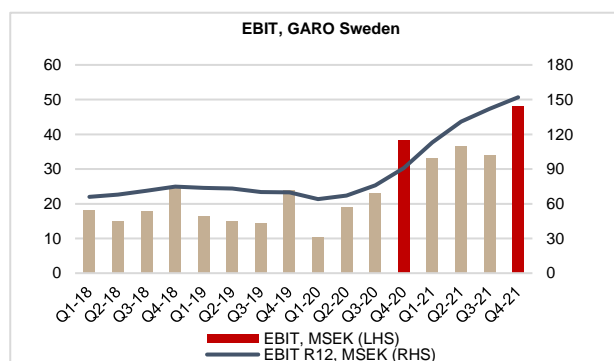
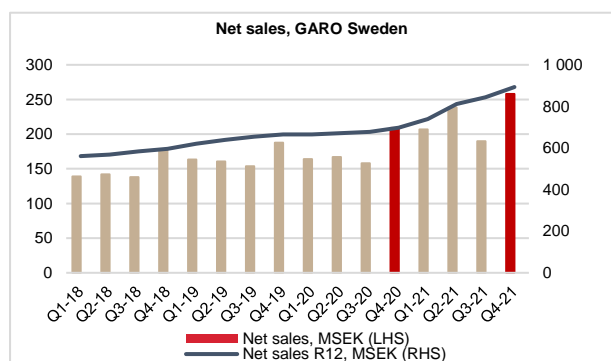
PROJECT BUSINESS AND TEMPORARY POWER

Net sales in the Project business product area increased 19% compared with the year-earlier quarter, where the market for complete solutions is deemed to have recovered following a weak beginning to 2021. GARO has seen high demand for customer-tailored distribution cabinets, cable cabinets and switchgears, as well as for environmentally friendly cable cabinets.

Sales in the Temporary Power product area increased 30%. The growth was primarily impacted by a single customer, but it is notable that several rental companies are now reinvesting in this type of product.

E-MOBILITY

For information about the E-mobility product area, see page 8.



GARO International

NET SALES AND EARNINGS

Net sales in the GARO International business area increased 14% compared with the year-earlier quarter and amounted to MSEK 112.0 (98.2). Sales were strong in all product areas and the market recorded a continued strong recovery compared with the year-earlier quarter. For the full-year 2021, net sales in GARO International amounted to MSEK 402.3 (342.4) leading to growth of 17%.

Of particular note was the strong growth in the Electrical distribution products and Project business product areas, where market initiatives have generated effects. The excellent performance in the UK is particularly pleasing, where operations have grown substantially in all product areas since the start of operations in 2019.

The production facility in Poland has maintained a high utilization rate for the quarter, creating economies of scale as a result of higher volumes.

EBIT for the quarter amounted to MSEK 9.5 (11.2) and the EBIT margin amounted to 8.5% (11.4). EBIT was impacted by costs for market activities in Ireland and the UK as well as strengthening resources in Poland where GARO has expanded production and is training personnel for a higher production rate. EBIT for the full-year 2021 amounted to MSEK 55.7 (46.0), with a somewhat strengthened EBIT margin compared with 2020.

The number of employees at the end of the period was 214 (172). Resources have primarily been strengthened within production in Poland and within sales in the UK and Ireland.

GARO International		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Key figures		2021	2020	2021	2020
Net sales	MSEK	112.0	98.2	402.3	342.4
Growth	%	14	9	17	0
EBIT	MSEK	9.5	11.2	55.7	46.0
EBIT margin	%	8.5	11.4	13.9	13.4
Investments	MSEK	1.6	0.9	8.0	3.2
Depreciation	MSEK	1.3	1.1	4.6	4.4
Number of employees		214	172	214	172

For definitions of key figures, see page 19

PRODUCT AREAS

ELECTRICAL DISTRIBUTION PRODUCTS AND PROJECT BUSINESS

Sales in the product areas Electrical distribution products and Project business noted growth of 15% and 31% respectively as a result of continued market recoveries and several deliveries made to housing projects.

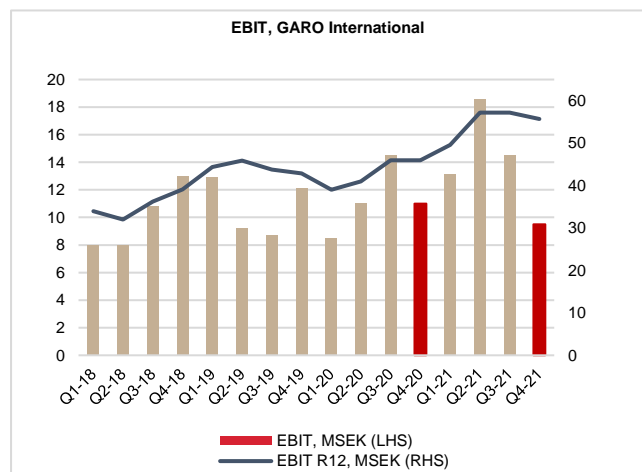
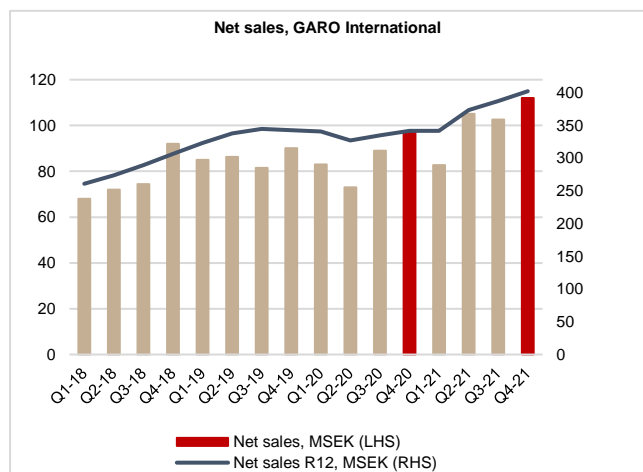
More wholesalers are choosing to offer GARO's products as part of their standard range, which enables quick delivery and high accessibility.

TEMPORARY POWER

Temporary Power reported sales for the quarter that were essentially unchanged compared to the corresponding period of 2020.

E-MOBILITY

For detailed information about the E-mobility product area, see page 8.



Product area GARO E-mobility

On January 1, 2021, GARO incorporated the E-mobility product area by transferring Swedish operations to the wholly-owned company GARO E-mobility AB. The aim of the incorporation of the product area is to sharpen market focus.

During the quarter, sales in the product area amounted MSEK 134.4 (99.2), an increase of 35% compared with the year-earlier quarter. Sales were limited by challenges in terms of component supply, particularly in electronic components, leading to longer delivery times to customers. Despite this, GARO successfully succeeded in retaining a satisfactory delivery capacity. Demand is very high and GARO continues to have a large order book, which is creating longer lead times than desired.

For the full-year 2021, sales in the E-mobility product area amounted to MSEK 437.1 (288.2) leading to growth of 52%.

After the end of the quarter, Niklas Rönning assumed his position as CEO and Business Area Manager for GARO E-mobility. In addition, a decision was made to invest in a new production and logistics facility, which will lead to increased production capacity in the business area. The facility will be constructed in close proximity to the existing establishment in Szczecin, Poland, close to the European market and with favorable logistics conditions.

GARO SWEDEN

Sales in the E-mobility product area amounted MSEK 103.7 (70.0), an increase of 48% compared with the year-earlier quarter. Demand was high throughout the entire product range, but particularly notable for AC chargers (wall boxes and public chargers). The number of new rechargeable vehicles in Sweden continues to increase rapidly, and as such, the need for charging infrastructure is also increasing. The number of rechargeable vehicles in the Swedish market increased in 2021 by 64% and in December, rechargeable vehicles accounted for 60% of new car sales in Sweden. The electric car is closing in on the numbers of chargeable hybrid cars and accounted for 60% of rechargeable vehicles sales in the fourth quarter. For the full-year 2021, 100,000 new rechargeable vehicles were registered. The milestone of 300,000 rechargeable vehicles was achieved at the end of 2021. The number of public charging stations amounted to 14,240 across 2,639 charging stations, up 23% in terms of charging stations in the last 12 months (Power Circle and ELIS – Elbilen i Sverige). It is mainly the need from private households and workplaces that is driving the market for charging infrastructure.

GARO has noted strong sales to wholesalers in Sweden, with end customers such as tenant-owner associations, property owners, workplaces and private individuals. Our contract customers such as energy companies and automotive companies established in Europe also continued to perform well during the quarter and more deliveries have been made under previously signed framework agreements. Group-external exports grew by over 140% during the quarter.

GARO INTERNATIONAL

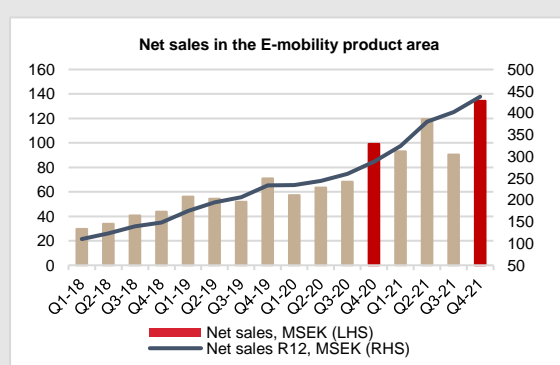
Sales in the E-mobility product area recorded strong growth in the UK, Ireland and Finland during the quarter compared with the year-earlier quarter. Growing demand for electric car charging for private households and workplaces has been the main factor that has driven growth in these markets. The trend in Norway has been weaker due to increased maturity primarily in home charging. In Norway, GARO is focusing on project sales in which customer needs are managed through an installation consisting of different charger variants and services. All in all, sales during the quarter increased 5% and amounted to MSEK 30.7 (29.2).

Many of the wholesalers have now chosen to offer GARO's products as part of their standard range, which increases the accessibility of products and enables quick delivery. GARO has continued to invest in the UK during the year. We are experiencing strong interest for the company's products and services in this market that is reporting rapid growth, particularly in charging infrastructure.

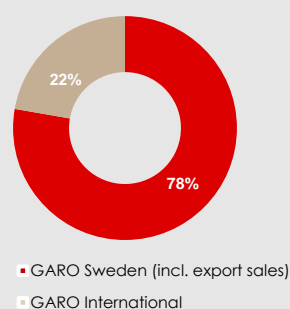
PRODUCT OFFERING AND SYNERGY EFFECTS

GARO, which has been a leading company in the Nordic region in E-mobility since 2008, offers a broad product portfolio containing everything from wall boxes for the home and workplace to public charging poles and fastchargers, as well as service and support. The company sells some of the market's most innovative and advanced products in the area.

The strong growth in the product area has benefited sales of components in the product area of Electrical distribution products as well as cable cabinets and energy supply in the Project business product area. The synergy effect between GARO's various product areas could be clearly seen in the sales trend during the year.



Allocation of net sales in E-mobility by business area, Jan–Dec 2021



Sustainability

The goal of GARO's strategic sustainability work is to be the leader in its area of operation for responsible business. GARO works daily with a long-term and systematic approach to minimize the negative impact that our activities, products and decisions have on the environment, society and people.

UN SDGS

GARO has chosen the following 6 of the UN's 17 Sustainable Development Goals to work on for long-term sustainable development.



We always endeavor to be a leading player, in terms of responsible business, in all of our operating areas.

CHOICE OF MATERIALS FOR THE ENVIRONMENT

For the development of new products, GARO focuses intently on the choice of material with the aim of developing highly functional products with good cost efficiency, while minimizing impact on the environment during both manufacturing and use. Sustainability requirements are high across the value chain as are the demands for end user expectations regarding product lives and quality.

FOSSIL-FREE VISION

With operations in both Gnosjö and Värnamo, GARO sees itself as an important company in Jönköping county. Together with other responsible companies, GARO participates in local projects that work to have zero emissions in the county's transportation system. The vision is to be an energy-plus country that is easy to live, reside and work in with energy efficient and fossil-free travel. As part of our efforts, GARO has the goal that all of GARO's transports will be fossil-free according to the conditions set by Fossil Free Sweden. Fuel providing an emissions reduction of 70% compared with fossil alternatives is required for transports to be considered fossil-free.

COLLABORATION WITH SUPPLIERS

Strategically important suppliers are audited and monitored based on quality and sustainability factors. A new law on conflict minerals will take effect in the EU from 2021, and GARO has commenced a status analysis and started to collect data to prepare the right procedures to ensure regulatory compliance. GARO has made a deliberate choice, as far as possible, to primarily use suppliers from Europe. This reduces transport needs and also the risk of human rights violations.

GARO'S EMPLOYEES

Our corporate culture is based on an open, friendly and genuine GARO spirit, which results in skilled employees who endeavor to go the extra mile that makes a difference – not only to our financial results but to everyone who is directly or indirectly impacted by our operations. It is a given for GARO to offer everyone the same opportunities for development and support for retaining their motivation, staying working in the Group and serving as good ambassadors.

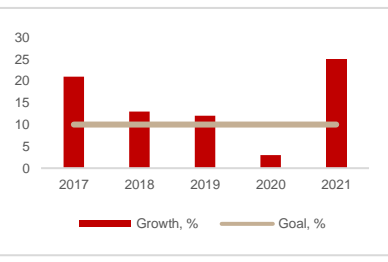
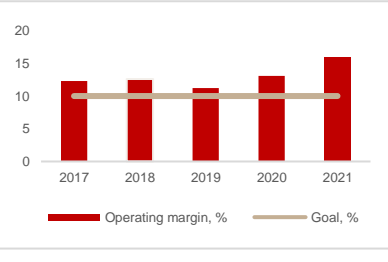
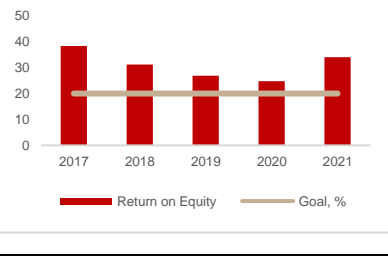
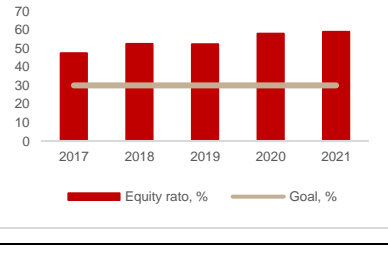
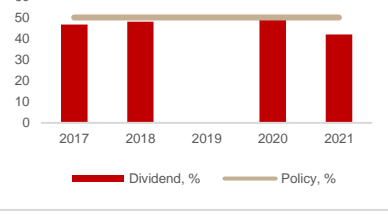
For more information about GARO's goals for a more sustainable environment, refer to our 2020 Annual Report, pages 36–53.

Parent Company figures

On January 1, 2021, GARO completed an incorporation of the E-mobility product area by transferring the product area's operations from GARO AB to the wholly-owned subsidiary GARO E-mobility AB. The Parent Company's operations encompass the Electrical distribution products product area and the development department, Group Management, as well as certain Group-wide functions and the Group's finance function.

Net sales for the Parent Company in the fourth quarter amounted to MSEK 134.3 (190.8). Of this amount, MSEK 55.8 (49.7) comprised internal sales to other Group companies. EBIT for the quarter amounted to MSEK 19.8 (29.7).

GARO's financial targets

<p>Sales growth</p> <p>Organic growth will amount to not less than 10% over a business cycle.</p>	 <table><tr><th>Year</th><th>Growth, %</th><th>Goal, %</th></tr><tr><td>2017</td><td>20</td><td>10</td></tr><tr><td>2018</td><td>12</td><td>10</td></tr><tr><td>2019</td><td>12</td><td>10</td></tr><tr><td>2020</td><td>3</td><td>10</td></tr><tr><td>2021</td><td>25</td><td>10</td></tr></table>	Year	Growth, %	Goal, %	2017	20	10	2018	12	10	2019	12	10	2020	3	10	2021	25	10
Year	Growth, %	Goal, %																	
2017	20	10																	
2018	12	10																	
2019	12	10																	
2020	3	10																	
2021	25	10																	
<p>Profitability</p> <p>EBIT margin for the Group will amount to not less than 10% of net sales over a business cycle.</p>	 <table><tr><th>Year</th><th>Operating margin, %</th><th>Goal, %</th></tr><tr><td>2017</td><td>12</td><td>10</td></tr><tr><td>2018</td><td>12</td><td>10</td></tr><tr><td>2019</td><td>11</td><td>10</td></tr><tr><td>2020</td><td>13</td><td>10</td></tr><tr><td>2021</td><td>16</td><td>10</td></tr></table>	Year	Operating margin, %	Goal, %	2017	12	10	2018	12	10	2019	11	10	2020	13	10	2021	16	10
Year	Operating margin, %	Goal, %																	
2017	12	10																	
2018	12	10																	
2019	11	10																	
2020	13	10																	
2021	16	10																	
<p>Return</p> <p>Return on equity will amount to not less than 20% over a business cycle.</p>	 <table><tr><th>Year</th><th>Return on Equity, %</th><th>Goal, %</th></tr><tr><td>2017</td><td>38</td><td>20</td></tr><tr><td>2018</td><td>30</td><td>20</td></tr><tr><td>2019</td><td>26</td><td>20</td></tr><tr><td>2020</td><td>24</td><td>20</td></tr><tr><td>2021</td><td>33</td><td>20</td></tr></table>	Year	Return on Equity, %	Goal, %	2017	38	20	2018	30	20	2019	26	20	2020	24	20	2021	33	20
Year	Return on Equity, %	Goal, %																	
2017	38	20																	
2018	30	20																	
2019	26	20																	
2020	24	20																	
2021	33	20																	
<p>Equity ratio</p> <p>The equity ratio will not be less than 30%.</p>	 <table><tr><th>Year</th><th>Equity ratio, %</th><th>Goal, %</th></tr><tr><td>2017</td><td>48</td><td>30</td></tr><tr><td>2018</td><td>52</td><td>30</td></tr><tr><td>2019</td><td>52</td><td>30</td></tr><tr><td>2020</td><td>58</td><td>30</td></tr><tr><td>2021</td><td>60</td><td>30</td></tr></table>	Year	Equity ratio, %	Goal, %	2017	48	30	2018	52	30	2019	52	30	2020	58	30	2021	60	30
Year	Equity ratio, %	Goal, %																	
2017	48	30																	
2018	52	30																	
2019	52	30																	
2020	58	30																	
2021	60	30																	
<p>Dividend policy</p> <p>GARO’s dividend will amount to approximately 50% of the Group’s net earnings after tax.</p> <p>The dividend proposal must take into account GARO’s long-term dividend potential and the Group’s general investment and consolidation requirements.</p>	 <table><tr><th>Year</th><th>Dividend, %</th><th>Policy, %</th></tr><tr><td>2017</td><td>48</td><td>50</td></tr><tr><td>2018</td><td>48</td><td>50</td></tr><tr><td>2019</td><td>48</td><td>50</td></tr><tr><td>2020</td><td>48</td><td>50</td></tr><tr><td>2021</td><td>42</td><td>50</td></tr></table>	Year	Dividend, %	Policy, %	2017	48	50	2018	48	50	2019	48	50	2020	48	50	2021	42	50
Year	Dividend, %	Policy, %																	
2017	48	50																	
2018	48	50																	
2019	48	50																	
2020	48	50																	
2021	42	50																	

Overview

NATURE OF OPERATIONS

GARO develops, manufactures and markets innovative products and systems for the electrical installations market under its own brand. The company has operations in Sweden, Norway, Finland, Ireland, Poland and the UK. The Group is organized in two business areas: GARO Sweden and GARO International. GARO has a broad product assortment and is a market leader within several product areas. For elevated focus and clarity, the business areas GARO E-mobility and GARO Electrification replaced the previous business areas of GARO Sweden and GARO International, as of January 1, 2022.

GARO's business concept is to, with a focus on innovation, sustainability and design, provide profitable complete solutions for the electrical industry.

ITEMS AFFECTING COMPARABILITY

On January 1, 2021, GARO sold the E-mobility product area to the wholly-owned subsidiary GARO E-mobility AB, which means that the Parent Company's operations from January 1, 2021 comprise the Electrical distribution products product area, Group Management, development department, as well as certain Group-wide functions and the Group's finance function.

SEASONAL VARIATIONS

GARO's operations are, to a certain degree, subject to seasonal variations. GARO's sales are generally stable from one quarter to the next, but can fluctuate monthly within the quarter. Sales can be somewhat lower during the vacation months (July–August) and from December to January. During periods of high production, GARO is normally tied up in working capital. Cash and cash equivalents are freed from working capital after the busy season, when the finished products have been installed in customers' facilities and invoices have been paid.

RISKS AND UNCERTAINTIES

GARO's risks and uncertainties are described in Note 3 on pages 72–76 of the 2020 Annual Report. The Annual Report is available at www.garo.se. Aside from these, no other changes have affected the company's view of risks and uncertainties.

ALTERNATIVE PERFORMANCE MEASURES

In this interim report, GARO presents certain financial measures that are not defined by IFRS, known as alternative performance measures. The Group believes that these measures provide valuable supplementary information to investors since they enable evaluations of the company's earnings and financial position. These financial measures are not always comparable with the measures used by other companies since not all companies calculated them in the same way. Investors should view these financial measures as a supplement rather than a replacement of financial reporting in accordance with IFRS.

ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. Disclosures in accordance with IAS 34, 16A are presented in the financial statements and their notes in the interim information on pages 1–20, which constitute an integrated part of this financial statement.

The Parent Company's interim report was prepared in accordance with Chapter 9 of the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.

GARO AB applies the same accounting policies as in the most recent Annual Report.

AUDITORS' STATEMENT

This year-end report has not been reviewed by the company's auditors.

Gnosjö, February 23, 2022

GARO AB (publ)

The Board of Directors

This information is such information that GARO aktiebolag is obligated to publish in accordance with the EU Market Abuse Regulation. The information was published by the abovementioned contact persons on February 23, 2022 at 8:30 a.m. CET.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Amount in MSEK	2021	2020	2021	2020
Operating income				
Net sales	370.1	306.3	1295.8	1039.8
Other operating income	3.6	1.7	6.6	8.0
Total operating income	373.7	308.0	1302.4	1047.8
Operating expenses				
Raw materials and consumables	-188.3	-149.7	-649.3	-528.8
Other external expenses	-43.4	-39.3	-144.9	-123.7
Personnel expenses	-74.0	-62.8	-265.2	-232.2
Depreciation/amortization of tangible and intangible assets	-10.3	-6.7	-35.8	-27.0
EBIT	57.7	49.5	207.2	136.2
Result from financial items				
Net financial income/expenses	1.4	-4.6	1.2	-13.1
Profit before tax	59.1	45.0	208.4	123.1
Income tax	-12.7	-10.5	-41.7	-27.7
Net income	46.4	34.4	166.7	95.3
Other comprehensive income:				
Items that may be reclassified to the income statement				
Translation differences	1.4	-4.0	2.0	-7.7
Other comprehensive income, net	1.4	-4.0	2.0	-7.7
Total comprehensive income for the year	47.8	30.4	168.7	87.6
Net income and total comprehensive income for the year is attributable to shareholders of the Parent Company.				
Key ratios per share				
Average number of shares	50,000,000	50,000,000	50 000000	50,000,000
Earnings per share, before and after dilution, SEK	0.93	0.69	3.33	1.91

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amount in MSEK	2021-12-31	2020-12-31
ASSETS		
Fixed assets		
Intangible assets	108.1	93.6
Tangible assets	144.1	140.4
Financial assets	3.7	6.2
Total fixed assets	255.9	240.2
Current assets		
Inventories	242.1	182.5
Accounts receivable	336.0	238.6
Other current receivables	21.3	12.6
Cash and cash equivalents	81.6	69.4
Total current assets	681.0	503.1
TOTAL ASSETS	936.9	743.3
EQUITY AND LIABILITIES		
Share capital	20.0	20.0
Other reserves	2.9	2.9
Other equity including net income for the period	528.6	407.4
Total equity	551.5	430.3
Long-term liabilities		
Liabilities to credit institutions	26.5	30.3
Lease liabilities	26.3	28.2
Other provisions	6.3	3.7
Deferred tax liabilities	0	0.5
Total long-term liabilities	59.1	62.7
Short-term liabilities		
Liabilities to credit institutions	9.9	12.3
Lease liabilities	9.5	9.9
Accounts payable	166.4	124.0
Other short-term liabilities	140.5	104.1
Total short-term liabilities	326.3	250.3
TOTAL EQUITY AND LIABILITIES	936.9	743.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to shareholders in the Parent Company Amount in MSEK	Share capital	Reserves	Retained earnings	Total equity
Equity at January 1, 2020	20.0	4.8	318.2	343.0
Net income for the period			95.3	95.3
Other comprehensive income for the period		-7.7	0	-7.7
Dividend to shareholders			0	0
Currency effects			-0.3	-0.3
Closing equity, December 31, 2020	20.0	-2.9	413.2	430.3
Equity at January 1, 2021	20.0	-2.9	413.2	430.3
Net income for the period			166.7	166.7
Other comprehensive income for the period		2.0	0	2.0
Dividend to shareholders			-47.5	-47.5
Closing equity, December 31, 2021	20.0	-0.9	532.4	551.5

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Amount in MSEK				
Operating activities				
Cash flow from operating activities				
before changes in working capital	70.0	49.0	217.4	119.8
Cash flow from changes in working capital	-22.4	33.6	-95.7	-32.9
Cash flow from operating activities	47.6	82.6	121.7	86.9
Investing activities				
Investments in intangible assets	-8.5	-8.0	-26.5	-24.6
Acquisition of subsidiaries	0	0	0	-5.7
Investments in tangible assets	-2.8	-1.5	-18.8	-15.0
Disposal of tangible assets	0.9	0	0.9	0
Cash flow from investing activities	-10.4	-9.5	-44.4	-45.3
Financing activities				
Net borrowing/amortization of loans	0.8	-5.3	-6.2	-1.9
Amortization of lease liability	-3.0	-2.7	-11.7	-10.8
Dividend paid to shareholders	0	0	-47.5	0
Cash flow from financing activities	-2.1	-8.0	-65.4	-12.7
Cash flow for the period	35.1	65.1	11.9	28.9
Currency effect in cash and cash equivalents	0.1	-0.2	0.3	-0.3
Cash and cash equivalents, start of the period	46.4	4.5	69.4	40.8
Cash and cash equivalents, end of the period	81.6	69.4	81.6	69.4

CONDENSED PARENT COMPANY INCOME STATEMENT*

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Amount in MSEK	2021	2020	2021	2020
Operating income				
Net sales	134.3	190.8	481.7	622.0
Other operating income	3.2	4.6	7.1	19.4
Total income	137.5	195.4	488.8	641.4
Operating expenses				
Raw materials and consumables	-72.9	-111.4	-268.0	-383.3
Other external expenses	-16.1	-23.0	-55.9	-68.0
Personnel expenses	-25.8	-29.3	-94.5	-113.0
Depreciation/amortization of tangible and intangible assets	-4.5	-3.1	-12.6	-12.3
Other operating expenses	1.5	1.2	5.7	4.2
EBIT	19.8	29.7	63.4	69.0
Result from financial items				
Profit from participations in Group companies	7.2	13.4	7.2	13.3
Net interest income and similar items	0.9	0.6	3.7	2.0
Net interest expenses and similar items	0.3	-3.6	0.6	-7.2
Profit before tax	28.2	40.0	74.9	77.1
Appropriations	47.0	6.0	47.0	6.0
Income tax	-14.5	-6.4	-23.6	-14.5
Net income	60.6	39.6	98.3	68.6

*On January 1, 2021, GARO AB divested the E-mobility product area to the wholly-owned subsidiary GARO E-mobility AB.

The Parent Company does not have any items recognized as other comprehensive income which is why total comprehensive income corresponds to net income.

CONDENSED PARENT COMPANY BALANCE SHEET*

Amount in MSEK	2021-12-31	2020-12-31
ASSETS		
Fixed assets		
Intangible assets	43.5	49.4
Tangible assets	38.4	47.1
Participations in Group companies	80.8	79.3
Other financial assets	59.4	30.6
Total fixed assets	222.6	206.4
Current assets		
Inventories	40.8	66.8
Accounts receivable	83.9	119.1
Other receivables	189.9	90.2
Cash and bank balances	71.4	64.0
Total current assets	385.9	340.1
TOTAL ASSETS	608.6	546.5
EQUITY AND LIABILITIES		
Share capital	20.0	20.0
Fund for internal development expenses	40.5	35.9
Statutory reserve	2.6	2.6
Non-restricted equity including net income for the period	299.1	252.9
Total equity	362.2	311.4
Untaxed reserves	0	0
Provisions	1.7	4.2
Long-term liabilities		
Liabilities to credit institutions	10.4	13.7
Total long-term liabilities	10.4	13.7
Short-term liabilities		
Short-term interest-bearing liabilities	2.6	3.3
Short-term non-interest-bearing liabilities	231.7	213.8
Total short-term liabilities	234.3	217.1
TOTAL EQUITY AND LIABILITIES	608.6	546.5

*On January 1, 2021, GARO AB divested the E-mobility product area to the wholly-owned subsidiary GARO E-mobility AB.

SALES AND EBIT BY BUSINESS AREA

	GARO Sweden		GARO International		Elimination		Group	
	Kv4	Kv4	Kv4	Kv4	Kv4	Kv4	Kv4	Kv4
Business area information	2021	2020	2021	2020	2021	2020	2021	2020
Sales								
Total net sales	331.4	261.3	193.6	158.1	-154.9	-112.8	370.1	306.9
Internal net sales	-73.3	-53.0	-81.5	-59.8	154.9	112.8	0	0
External net sales	258.1	208.7	112.1	98.2	0	0	370.1	306.9
EBIT	48.2	38.3	9.5	11.2	0	0	57.7	49.5
Net financial income/expenses							1.4	-4.6
Tax expense for the year							-12.7	-10.5
Net income for the year							46.4	34.4

GARO GROUP MULTI-YEAR OVERVIEW AND KEY FIGURES*

		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec			
		2021	2020	2021	2020	2019	2018	2017
Net sales	MSEK	370.1	306.3	1295.8	1039.8	1008.1	903.7	796.0
Growth	%	21	10	25	3	12	13	21
EBITDA	MSEK	68.1	56.3	243.0	163.2	134.9	128.8	110.3
EBITDA margin	%	18.4	18.4	18.8	15.7	13.4	14.3	13.9
EBIT	MSEK	57.7	49.5	207.2	136.2	112.6	113.8	98.1
EBIT margin	%	15.6	16.2	16.0	13.1	11.2	12.6	12.3
Earnings per share, before and after dilution ¹	SEK	0.93	0.69	3.33	1.91	1.71	1.65	1.71
Equity per share ¹	SEK	11.03	8.60	11.03	8.60	6.86	5.92	5.05
Return on equity	%	34.0	24.7	34.0	24.7	26.8	31.2	38.3
Investments	MSEK	11.3	9.5	45.3	45.3	33.4	22.7	51.4
Depreciation	MSEK	10.3	6.7	35.8	27.0	22.3	15.0	12.2
Equity ratio	%	58.9	57.9	58.9	57.9	52.2	52.4	47.3
Nettoskuld ²	MSEK	-9.4	11.3	-9.4	11.3	45.6	45.7	56.1
Net debt/EBITDA	multipl e	0.0	0.1	0.0	0.1	0.3	0.4	0.5
Number of employees		498	412	498	412	421	402	376

*For definitions of key figures, see page 19

¹⁾ In the second quarter of 2021, GARO completed a 5:1 share split. All share data has been recalculated with the new number of shares. For more information, see page 4.

²⁾ Net debt includes lease liabilities in accordance with IFRS 16.

QUARTERLY FIGURES

Consolidated income statement	Kv4	Kv3	Kv2	Kv1	Kv4	Kv3	Kv2	Kv1	Kv4	Kv3	Kv2	Kv1
Amount in MSEK	2021	2021	2021	2021	2020	2020	2020	2020	2019	2019	2019	2019
Net sales	370.1	293.9	341.2	290.6	306.3	247.0	238.3	248.3	277.8	235.2	246.7	248.4
Operating expenses	-312.4	-245.4	-286.1	-244.7	-256.8	-209.5	-208.0	-229.5	-242.0	-211.5	-222.8	-219.2
EBIT	57.7	48.5	55.1	45.9	49.5	37.5	30.3	18.8	35.9	23.6	24.0	29.2
Net financial income/expenses	1.4	0.5	-2.1	1.3	-4.6	-1.3	-6.8	-0.5	-2.5	-0.8	-0.5	1.4
Profit before tax	59.1	49.0	53.0	47.2	45.0	36.3	23.6	18.3	33.3	22.8	23.5	30.6
Tax	-12.7	-9.6	-10.5	-8.9	-10.5	-7.9	-5.5	-3.8	-8.7	-4.9	-5.0	-5.7
Net income	46.4	39.4	42.6	38.3	34.4	28.3	18.1	14.6	24.6	17.9	18.4	24.8
Net sales per business area	Kv4	Kv3	Kv2	Kv1	Kv4	Kv3	Kv2	Kv1	Kv4	Kv3	Kv2	Kv1
Amount in MSEK	2021	2021	2021	2021	2020	2020	2020	2020	2019	2019	2019	2019
GARO Sweden	258.1	189.8	238.5	206.2	208.7	158.4	166.5	164.4	187.7	153.7	160.4	163.4
GARO International	112.0	102.6	105.1	82.7	98.2	88.5	72.7	82.9	90.1	81.5	86.3	85.0
Total Group	370.1	292.4	343.6	288.9	306.9	246.9	239.3	247.3	277.8	235.2	246.7	248.4
EBIT per business area	Kv4	Kv3	Kv2	Kv1	Kv4	Kv3	Kv2	Kv1	Kv4	Kv3	Kv2	Kv1
Amount in MSEK	2021	2021	2021	2021	2020	2020	2020	2020	2019	2019	2019	2019
GARO Sweden	48.2	34.0	36.5	32.8	38.3	23.0	18.6	10.3	23.8	14.9	14.8	16.3
GARO International	9.5	14.5	18.6	13.1	11.2	14.5	11.7	8.5	12.1	8.7	9.2	12.9
Total Group	57.7	48.5	55.1	45.9	49.5	37.5	30.3	18.8	35.9	23.6	24.0	29.2

Key figures, alternative performance measures and definitions

The performance measures in this report take into account the nature of the operations and are deemed to provide relevant information to shareholders and other stakeholders and also enable comparability with other companies.

In the second quarter of 2021, GARO completed a 5:1 share split. All share data has been recalculated with the new number of shares. For more information, see page 4.

EBIT: Earnings before interest and tax

EBIT margin, %: EBIT as a percentage of net sales for the period

Earnings per share, before and after dilution, SEK: Net income for the period divided by the average number of shares at the end of the period

Equity per share, SEK: Equity divided by the number of shares at the end of the period

Return on equity, %: Net income for the past 12 months divided by average equity

Equity ratio, %: Equity as a percentage of total assets

Net debt: Interest-bearing liabilities, lease liabilities according to IFRS 16 less assets including cash and cash equivalents

Net debt/EBITDA, multiple: Net debt at the end of the period as a percentage of EBITDA for the past 12 months

Alternative performance measures

GARO uses certain performance measures that are not defined in the rules for financial reporting that GARO applies. The goal of these performance measures is to create better understanding of how the operations are performing. It must be stressed that these alternative performance measures, as defined, are not entirely comparable with performance measures of the same name used by other companies.

Organic growth: Organic growth with adjustments for currency effects from operations in currencies other than SEK.

EBITDA: Earnings before interest, taxes, depreciation and amortization

EBITDA margin, %: EBITDA as a percentage of net sales for the period

R12: A summary of the outcome of the past 12 months

Number of employees: The number of employees at the end of the period

Economic information

INVITATION TO PRESENTATION FOR THE PRESS AND ANALYSTS

On February 23, 2022 at 9:30 a.m., the President and CEO Patrik Andersson and CFO Helena Claesson will present the report and respond to questions in a teleconference.

Telephone number:

Sweden: 010,884 80 16

International: +44 203 936 2999

Code: 231594

The presentation used during this teleconference can be downloaded at www.garo.se under Investor Relations. A recording of the teleconference will be available on the company's website afterwards.

FOR MORE INFORMATION, PLEASE CONTACT:

Patrik Andersson, President and CEO: +46 76 148 44 44

Helena Claesson, CFO: +46 70 676 07 50

FINANCIAL CALENDAR

First quarter of 2022	May 11, 2022
2021 Annual General Meeting	May 11, 2022
Interim report April - June 2022	August 16, 2022
Interim report July – September 2022	November 11, 2022

FORWARD-LOOKING INFORMATION

Certain statements in this report are forward-looking and the actual outcome may be significantly different. In addition to the specifically mentioned factors, other factors may have a material impact on the actual outcome. Such factors include, but are not limited to, the general economic climate, exchange-rate fluctuations and changes in interest rates, political developments, the impact of competing products and the prices of such products, difficulties associated with product development and commercialization, technical problems, interruptions to the access to raw materials and credit losses attributable to major customers.

Disclosures according to IAS 34.16A are presented in the financial statements and their notes as well as other parts of the interim report.