



Q4 2022 Presentation

February 23, 2023

Patrik Andersson, CEO
Helena Claesson, CFO

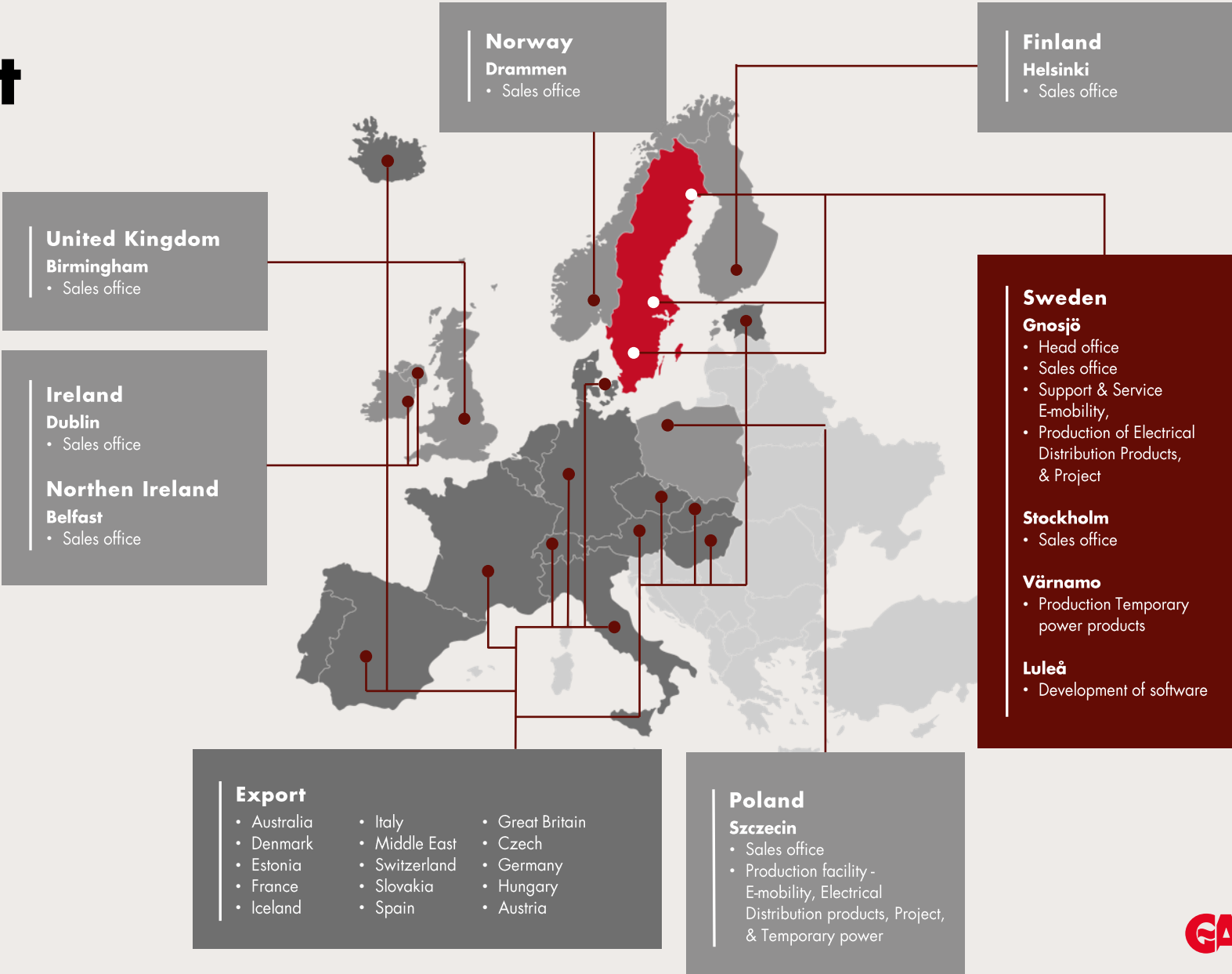


Charging the future.

It is our responsibility to provide a smarter and more sustainable future with innovative solutions for everyone. We are equipped with the right tools to create positive change. The future is ours to create.



GAROs footprint



A person wearing a dark quilted jacket, a white knit beanie with 'SPEKTRUM' written on it, and ski goggles is using a charging cable to connect to a charging station. The background is a snowy mountain landscape.

E-MOBILITY

All types of vehicle chargers – home chargers to fast chargers.

30% (jan-dec)

A man in a white ski suit and goggles is standing next to a white car with its door open. He is holding a snowboard. Two children in winter gear are standing next to him. The background is a snowy mountain landscape with ski lift infrastructure.

DESTINATION CHARGERS

Full service solutions at home, work places and in public places.



ELECTRICAL DISTRIBUTION PRODUCTS

3 500 products and turn-key solutions for the electrical installation market.

43% (jan-dec)



PROJECT BUSINESS

Complete and fully customized solutions ready for installation.

21% (jan-dec)



TEMPORARY POWER

Temporary electricity, lightning and heating for construction sites.

6% (jan-dec)

Operational highlights

A challenging quarter within E-mobility while Electrification continues to grow strongly

GARO Electrification

- Sales increased by 11% in Q4 and 13% in FY
- Good development in Electrical Distribution products , growing stronger than the market
- Strong sales within project business, driven by growth in Ireland and UK
- Sales growth in European markets outside the Nordics increased by 29% (30% in the FY)
- Energy efficiency and the electrification in general drove sales all year

GARO E-mobility

- Sales decreased by 40% in Q4 and 3% in FY
- Production and delivery negatively affected by lack of electrical components
- Strong order intake and long lead-times – leading to a large order book
- Weak development of home chargers due to long lead-times for new electrical- and hybrid cars
- New generation chargers were launched during the quarter

Growth and profitability

- Sales growth in Electrification was more than offset by weak development in E-mobility
- Good sales growth outside the Nordic countries
- Lower volumes and a write down of 15 MSEK due to change of technical platform within GARO E-mobility had a negative impact on profitability
- Continue to invest for the long-term
- GARO's business model - two business areas complementing each other and create growth in challenging times

GARO Entity - a new generation chargers

- A new product program and platform for destination charging with smart services was launched end of November
- First orders have been taken of GARO Entity Pro and deliveries are expected to commence during the first quarter 2023
- High focus on safety, simplicity and robustness
- Services for home use in single-family homes, apartment blocks, commercial properties and public environments



Financial highlights

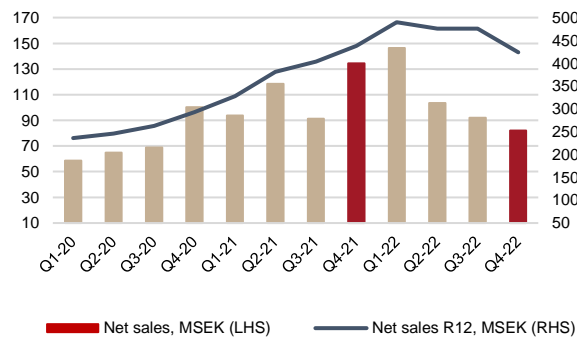
- Net sales
 - Q4: - 8% to 341.8 MSEK (370.1)
 - FY: +7% to 1 390.5 MSEK (1 295.8)
- EBIT
 - Q4: 8.9 MSEK (57.7)
 - FY: 152.8 MSEK (207.2)
- EBIT margin
 - Q4: 2.6% (15.6)
 - FY: 11.0% (16.0)
- Net debt position: 143,7 MSEK (Net cash 9.4)
- Dividend proposal: 0,80 SEK (1.40)



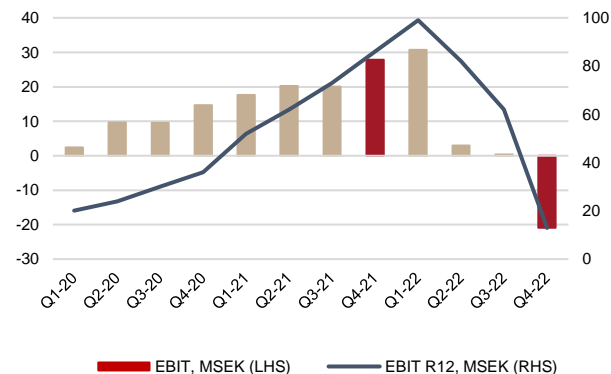
GARO E-mobility

- Net sales amounted to 80.6 MSEK (134.3)
- Lack of electronic components has affected production and deliveries
- EBIT amounted to –20.9 MSEK (28.0)
 - Affected by –15.0 MSEK in non-recurring costs following a change of the technical platform
- EBIT margin of –25.9% (20.8)

Net sales, GARO E-mobility



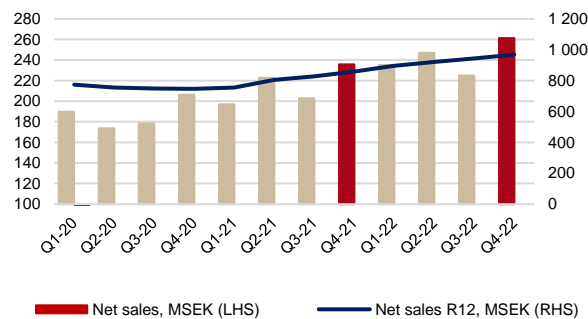
EBIT, GARO E-mobility



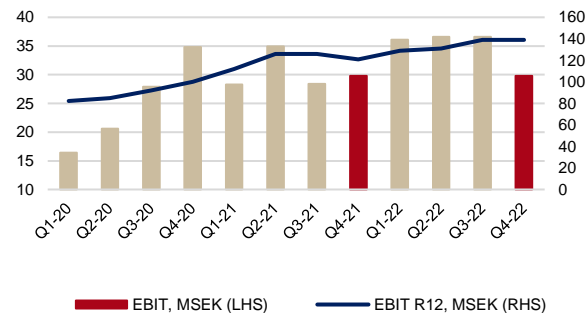
GARO Electrification

- Net sales increased by 11% to 261.2 MSEK (235.8)
- Strong development within Electrical distribution products and Project business in several markets
- EBIT amounted to 29.8 MSEK (29.7)
- EBIT margin of 11.4% (12.6)
- Daniel Emilsson was appointed as new head of the business area

Net sales, GARO Electrification



EBIT, GARO Electrification



Cash flow and balance sheet

- CF from operating activities in the quarter of MSEK 13.0 (47.6) due to lower operating profit
- Proposed dividend to the shareholders 0.80 SEK (1.40) per share
- Strong balance sheet
 - Net debt of MSEK 143.7 compared to a net cash position of MSEK 9.4 previous year
 - Available liquidity including unutilized overdraft facilities of MSEK 179.5 (182.0)

MSEK	Q4 2022	Q4 2021	FY 2022	FY 2021
Cash flow from operating activities	13,0	47,6	89,2	121,7
Cash flow from investing activities	-64,6	-10,4	-119,1	-44,3
Cash flow for the period	-8,7	35,0	-52,3	11,9
Net debt(+) / net cash (-)	143,7	-9,4	143,7	-9,4
Net dept / EBITDA ratio %	76,1	n/a	76,1	n/a
Equity / assets ratio, %	53,2	58,9	53,2	58,9

Strong growth and development opportunities



Outlook

Short term

- The lack of electronic components in the GARO E-mobility business area has significantly impacted our production in the fourth quarter. This will also impact the Group's operations in the beginning of 2023

Long term

- Housing production remains at favourable levels but production of new homes is expected to slow down during the second half of 2023
- Demand from commercial and public real-estate is expected to remain good. Also, renovation activities, investments into energy-efficiency and electrification in general are expected to remain at high levels
- The market for charging infrastructure is growing structurally with rising numbers of rechargeable vehicles, and we see a continuing strong trend with further expansion of the charging infrastructure in the European market



Q&A



GARO