

Q3 2022 Presentation

November 11, 2022

Patrik Andersson, CEO
Helena Claesson, CFO

ELECTRIC VEHICLE
CHARGER

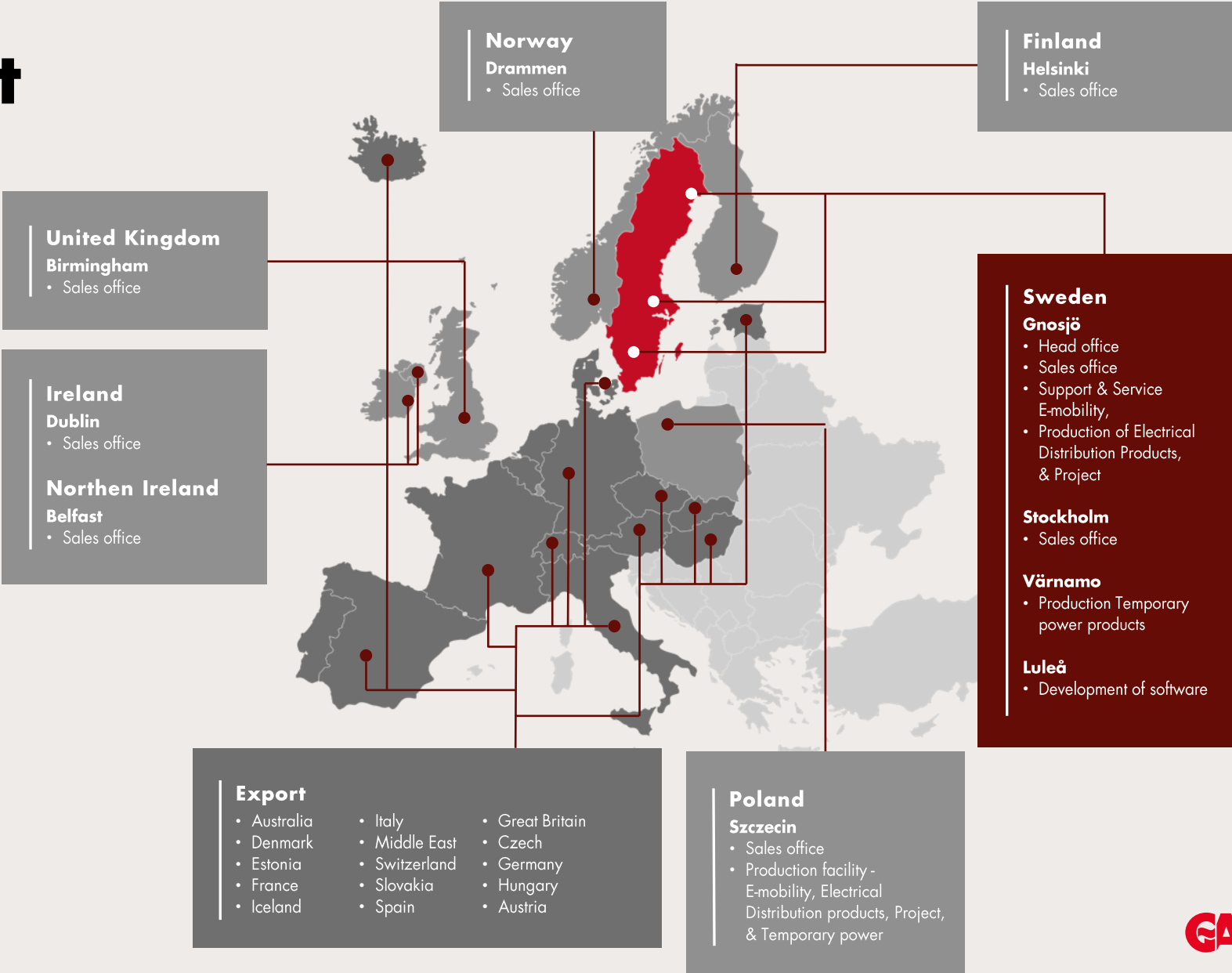


Charging the future.

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





E-MOBILITY

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

33% (jan-sept)



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.

42% (jan-sept)



PROJECT BUSINESS

Complete and fully customized solutions ready for installation.

20% (jan-sept)



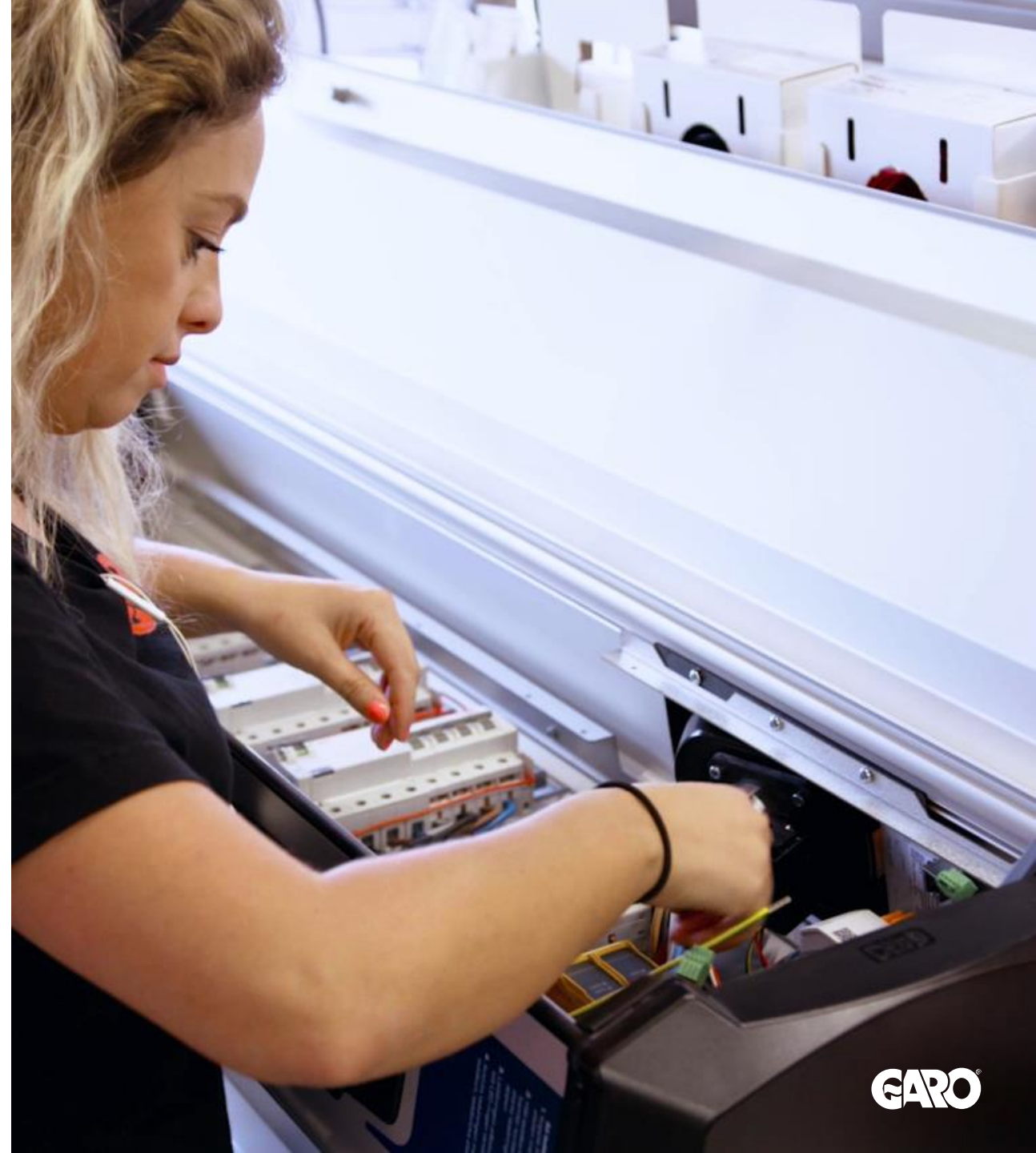
TEMPORARY POWER

Temporary electricity, lightning and heating for construction sites.

5% (jan-sept)

Product development

- Product development is a decisive part of GARO's operations and a key element for organic growth
- Enables redesign of products, a necessity when managing component shortages
- Creates software integrations and test environments for different back-ends
- Enables synergy effects between the two business areas - with the end customer in focus
- Development for new product launches to be expected within soon, mainly within E-mobility



New generation chargers

- A new product program and platform for destination charging with smart services will be launched at end of November
- High focus on simplicity, robustness and safety
- Services for home use in single-family homes, apartment blocks, commercial properties and public environments
- Products will be showcased for the first time at the London EV show from 29 November – 1 December and at the eCar Expo in Gothenburg from 2 to 4 December

Operational Highlights

Continued strong development within GARO Electrification while E-mobility still hampered by electrical components shortage

GARO Electrification

- Increased sales by 11% (13% YTD)
- Good development in Electrical Distribution products and Project
- Sales growth in European markets outside the Nordics increased by 12% (31% YTD)
- Demand for construction-related products, renovation requirements and energy efficiency as well as the build-out of charging infrastructure drove sales

GARO E-mobility

- Sales in line with the same period last year
- Production and delivery negatively affected by lack of electrical components
- Strong order intake and long lead-times - creating large order book
- Weak development of home chargers due to long lead-times for new electrical- and hybrid cars
- Deliveries to a global heavy electric vehicles manufacturer commenced during the quarter

Growth and profitability

- Sales driven by Electrification
- Good sales growth outside the Nordics countries
- Profitability negatively affected by lower volumes sold within E-mobility than planned for. Continue to invest for the long-term.
- GARO's business model - two business areas complementing each other and create growth in challenging times

Financial Highlights

Q3 2022

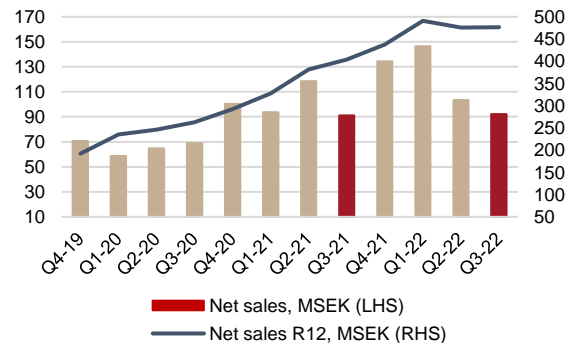
- Net sales +8% to 317.0 MSEK (293.9)
- EBIT -23% to 37.4 MSEK (48.5)
- EBIT margin of 11.8 % (16.5)
- Profit after tax 26.6 MSEK (39.4)
- Net debt position: 44.6 MSEK (28.0)



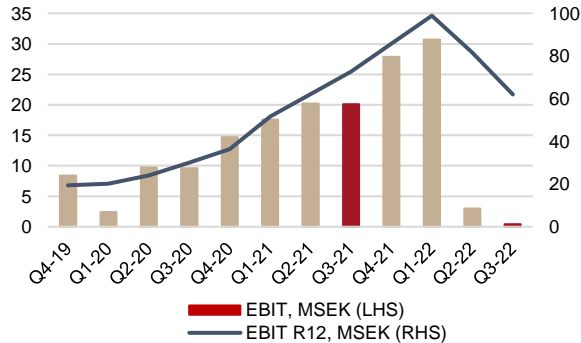
GARO E-mobility

- Net sales amounted to 92.1 MSEK (91.2)
- Lack of components has affected production and deliveries
- EBIT amounted to 0.4 MSEK (20.1)
- EBIT margin of 0.4% (22.0)

Net sales, GARO E-mobility

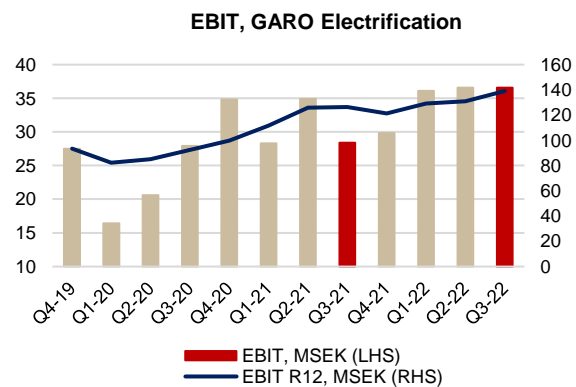
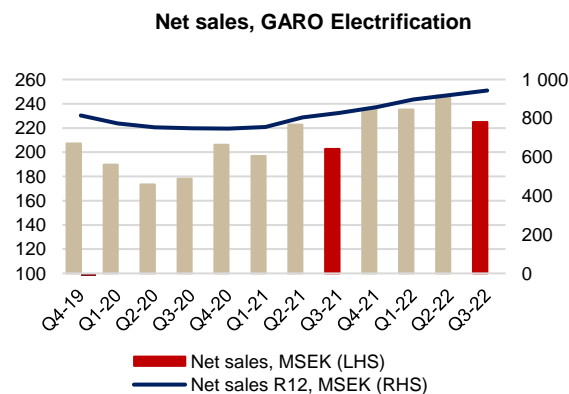


EBIT, GARO E-mobility



GARO Electrification

- Net sales increased by 11% to 224.9 MSEK (202.7)
- Strong development within Electrical Distribution products and Project business
- EBIT amounted to 37.0 MSEK (28.4)
- EBIT margin of 16.5% (14.0)



Cash flow and balance sheet

- CF from operating activities in the quarter of MSEK 31.8 (51.9) due to lower operating profit and higher working capital
- Tactical purchases of components in order to secure supplies for planned product launches
- Strong balance sheet
 - Net debt of MSEK 44.6 (28.0)
 - Available liquidity including unutilized overdraft facilities of MSEK 142.7 (147.1)

MSEK	Q3 2022	Q3 2021	R12	Full year 2021
Cash flow from operating activities	31.8	51.9	125.5	121.7
Cash flow from investing activities	-21.3	-10.6	-65.0	-44.3
Cash flow for the period	20.5	34.7	-6.9	11.9
Net debt(+) / net cash (-)	44.6	28.0	44.6	-9.4
Equity / assets ratio, %	61.4	60.4	61.4	58.9

Strong growth and development opportunities



Outlook

Short term

- Group's net sales for the fourth quarter will be in line with or just below the year-earlier period. Also, GARO E-mobility has challenging comparative figures compared with the fourth quarter of 2021
- The hampered delivery capacity within GARO E-mobility is compensated by growth within GARO Electrification

Long term

- Housing production remains at high level but production of new homes 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
- Increased production capacity in Sweden and Poland
- Investment within E-mobility for higher market presence and a stronger organisation, enabling expansion outside the Nordic countries



Q&A



GARMIN