

A woman with blonde hair, wearing a bright yellow jacket, is standing next to a black car. She is holding a small, dark, handheld device and pointing it towards a wall-mounted sensor. The sensor is a black, rectangular device with a glowing blue vertical line. The background is a plain, light-colored wall.

Q1 2024 Presentation

May 14, 2024

Patrik Andersson, CEO
Helena Claesson, CFO



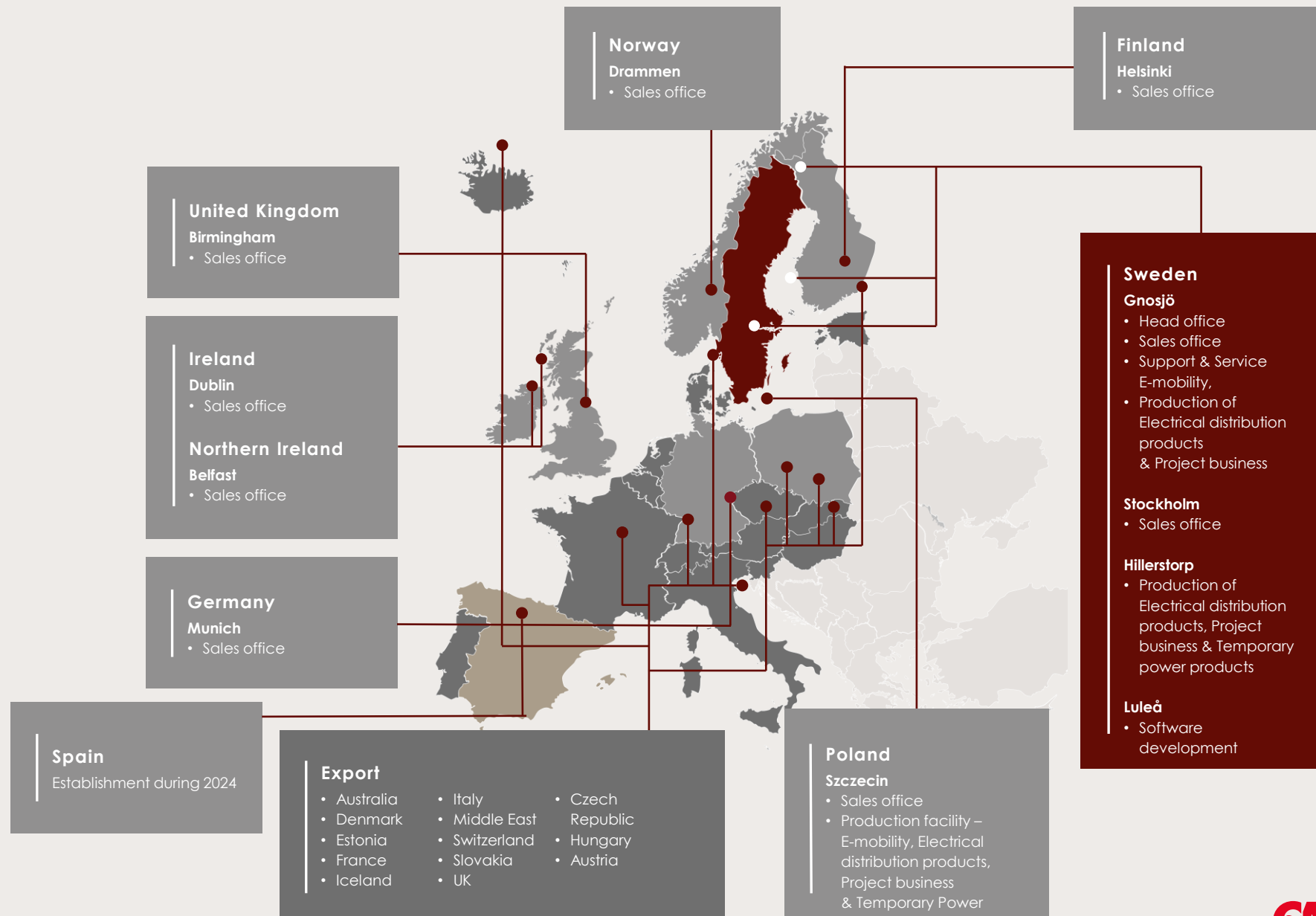
Charging the future.

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.



GARO[®]

GARO's footprint





E-MOBILITY

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

29% (Jan-Mar)



DESTINATION CHARGERS

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



ELECTRICAL DISTRIBUTION PRODUCTS

3,500 products and turnkey
solutions for the electrical
installation market.

45% (Jan-Mar)



PROJECT BUSINESS

Complete and fully
customized solutions ready
for installation.

23% (Jan-Mar)



TEMPORARY POWER

Temporary electricity, lighting
and heating for construction
sites.

3% (Jan-Mar)

Financial highlights

- Net sales Q1 of MSEK 292.5 (370.3), decreased 21%
 - - 31% growth within GARO E-mobility
 - - 16% growth within GARO Electrification
- EBIT of MSEK -6.7 (27.8) and an EBIT margin of -2.3% (7.5)
- Low sales volume during the quarter compared with the same quarter of 2023
- Efficiency program completed – full effect in the second quarter
- Sales recovered to some extent during April due to slightly better demand in both business areas



Operational highlights

Challenging market conditions in Sweden – action program completed

GARO E-mobility

- The prevailing market situation with macroeconomic uncertainty – continued impact on purchasing patterns and investment decisions.
- Hectic first quarter for the sales company in Germany
- GARO intensified marketing activities in Germany and Poland, and started up sales companies in Spain.
- Home charging market: Intense price pressure in the market. GARO's uncompromising focus on safety remains firm
- Demand for public charging points is the main driver of sales in the business area

GARO Electrification

- Continued weak economy and high interest rates – low rate of production for new single-family homes and apartments
- In Ireland, however, the market for new construction remains stable and we see growing demand for construction-related products.
- There is a strong underlying need for new housing
- Demand remains healthy for products related to industry and the energy efficiency of buildings
- GARO's components and distribution cabinets were installed in a large international computer company's server facilities across Europe

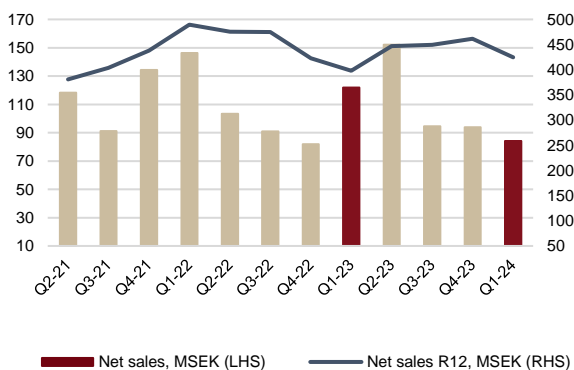
Growth and profitability

- The action and efficiency program announced during the quarter was completed – a reduction of 40 jobs in the Group
- Completion of additional saving measures and continued focus on cost control in the entire Group
- The action program completed in GARO Electrification in autumn 2023 is now yielding the desired effects with an organization adapted to the prevailing market situation

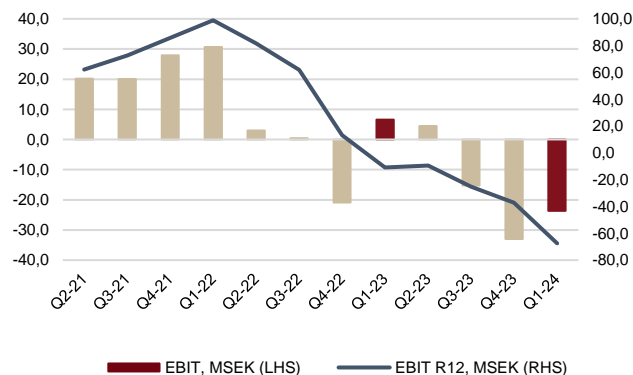
GARO E-mobility

- Net sales amounted to MSEK 84.3 (122.2), where the launch of GARO Entity in 2023 gives challenging comparative figures
- GARO E-mobility reported sales growth of 15% outside the Nordic region for the quarter
- EBIT amounted to MSEK -23.6 (6.6)
- Low sales, a weaker gross margin with production redundancies, and an organization that is built for growth are the main reasons for the negative earnings

Net sales, GARO E-mobility



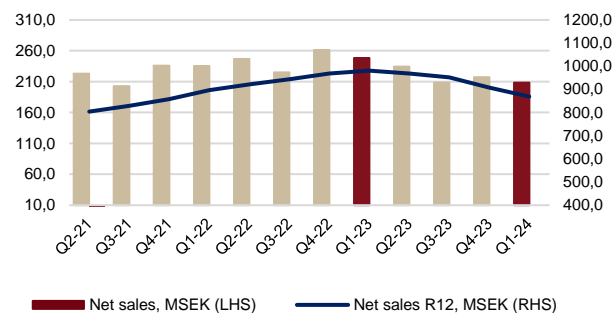
EBIT, GARO E-mobility



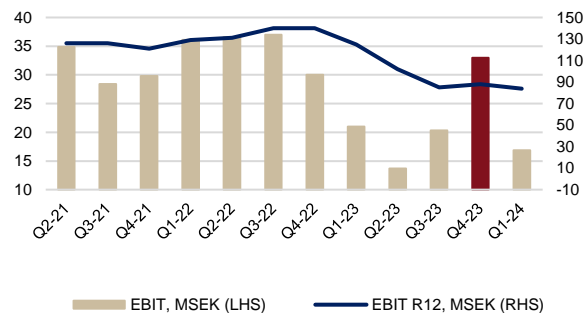
GARO Electrification

- Net sales decreased 16% to MSEK 208.2 (248.1)
- EBIT amounted to MSEK 16.9 (21.1) and the EBIT margin to 8.1% (8.5)
- The efficiency program implemented during fall of 2023 has desired effect
- New business system in the Group – costs were MSEK 1.5 for the quarter
- Ongoing price increases for input materials

Net sales, GARO Electrification



EBIT, GARO Electrification



Cash flow and balance sheet

- Cash flow from operating activities before changes in working capital amounted to SEK +8.4 million (+25.4)
- Cash flow from operating activities after changes in working capital amounted to SEK -43.8 million (-46.6).
- Net debt of MSEK 277,9 (245,6)
- Available liquidity including unutilized overdraft facilities of MSEK 84,6 (96,8)

MSEK	Q1 2024	Q1 2023	R12	FY 2023
Cash flow from operating activities	-43,8	-46,6	19,9	42,5
Cash flow from investing activities	-4,2	-51,2	-4,2	-51,0
Cash flow for the period	-39,8	-17,7	-2,4	19,6
Net debt(+)/net cash (-)	277,9	245,6	277,9	222,1
Net debt(+)/net cash (-) excl. IFRS16 effects	206,7	172,3	206,7	149,8
Equity/assets ratio, %	51,9	50,8	51,9	50,9

Outlook

- The market, which slowed for both business areas at the end of 2023, is cautious and will remain so.
- Sales outside the Nordic region showed slight growth, which supports our investment in Germany, which we entered at the end of 2023. This also supports the company's commenced establishment in Spain.
- The transition to fossil-free fuels as well as energy-efficient systems and services is crucial for achieving the Sustainable Development Goals.
- The forecast for 2024 still indicates an cautious market in GARO E-mobility followed by considerable growth in 2025.
- The current market situation for the new construction of single-family homes and apartments is expected to persist at least for the entirety of 2024 in Sweden and the Nordic region.
- We believe that there is still stable demand for new builds in the public sector, commercial properties and for industry.
- All in all, we have a positive view of long-term market conditions, mainly driven by growth in charging infrastructure and its requirements for power supply.



Q&A



CARO

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