

# Q1 2026 Presentation

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# Operational Highlights

## GARO Electrification

- **Stable foundation:** Electrification continues to perform steadily and remains the financial backbone of GARO.
- **Opportunity Won:** A five years procurement with the Swedish Transport Administration for the delivery of low-voltage switching equipment to the Swedish railway infrastructure. Value MSEK 50
- **Outlook:** Increasing sales within our Temporary Power Business are encouraging, as this normally precedes increasing sales within *Electrical distribution products*.

## GARO E-mobility

- **Challenging market:** the market for plug-in vehicles was stable and grew across Europe. GAROs sales did not meet expectations.
- **Technical progress:** ISO 115118 is shaping the next step in the industry, enabling Plug and Charge.

## Strategy

- **Management:** Tobias Byfeldt is appointed new CEO of GARO and will join the company on June 15th
- **Sales:** GARO has successfully implemented a new Group Sales Governance Scheme to drive sales growth.
- **ERP:** GARO has successfully gone live with new business system – a strategic investment that is already showing clear improvements in quality and follow-up of operations.

# Strategic Decision Taken After Q1

## **GARO Consolidates Production**

- GARO moves its production from Poland to Sweden.
- Strengthen GARO's industrial structure with clear economies of scale and more efficient processes.
- Better capacity utilization, shorter lead times and increased coordination.
- Future savings of approx. 25 MSEK per year.

## **GARO Gmbh Sales Closed**

- As part of the continued focus on efficiency and structural clarity, GARO's sales office in Germany will be discontinued.
- Existing and future customer relationships are secured by selling through already established channels.
- Future savings of approx. 5 MSEK per year.

## **Staff Optimization**

- A restructuring of the Swedish organization to meet market requirements.
- Clearer responsibilities, more efficient working methods and a closer relationship with customers and markets.
- In summary, reduction will generate savings of SEK 17 million.

## **New Market Channels**

- Open new channels to market including a European export function (Q2).

# GARO E-mobility



- The market for E-mobility is developing positively, and GARO has great confidence in its products.
- Rising oil prices are accelerating the transition to electrified infrastructure, most likely giving increasing demand for charging.
- GARO continued to further develop apps and web interfaces for the GARO Entity Wallboxes, and refine its pricing strategy.
- GARO continues to develop its software offerings to meet future standards, consolidates production, and implement synergies with Electrification
- A new European Export Department has been established to opens new sales channels to markets for both E-mobility and Electrification.
- GARO's product portfolio rationalization is continuing to reduce product variants, which simplify the customer offering, free up working capital and improve GARO's margins.

# Financial Highlights

- Net sales for Q1 of MSEK 246,2 (264.8), down 7%
  - 1 % decrease within GARO Electrification
  - 26% decrease within GARO E-mobility
- Current market economy, along with the unusually cold spring explains the lower sales.
- Adjusted EBIT of MSEK -13.3 (0.4) explained by lower sales and weaker gross margins.
- Successful go-live with new business system.

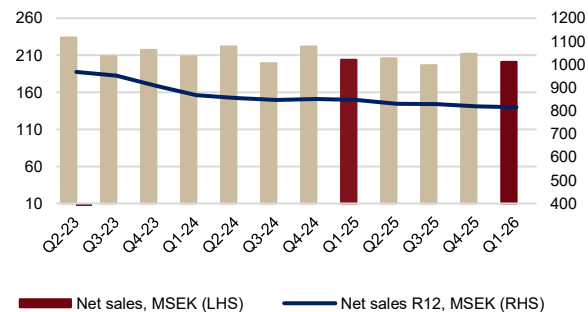


# GARO Electrification

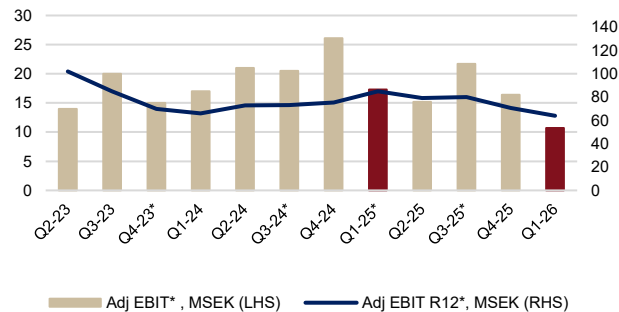
- Net sales amounted to MSEK 201.1 (204.2).
- Adjusted EBIT amounted to MSEK 10.7 (17.3).
- Product mix and currency effects put pressure on gross profit.
- GARO won a five-year procurement with the Swedish Transport Administration, worth SEK 50 million for the delivery of low-voltage switchgear to the Swedish railway infrastructure.



Net sales, GARO Electrification



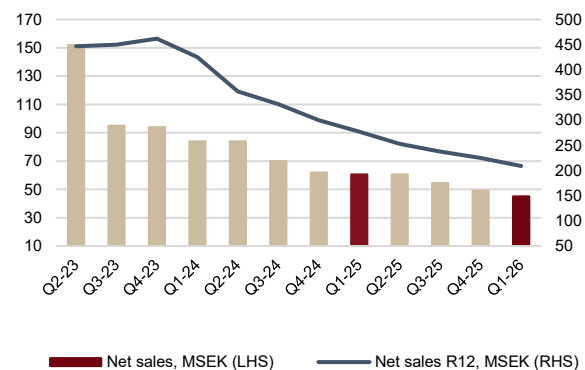
Adjusted EBIT, GARO Electrification\*



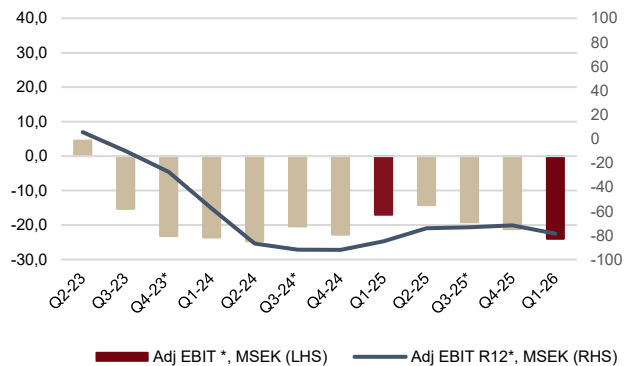
# GARO E-mobility

- Net sales in the quarter amounted to MSEK 45.1 (60.6).
- Adjusted EBIT in the quarter amounted to MSEK –24.0 (-17.0).
- The lower profitability is explained by lower sales combined with a lower gross margin.
- Since end of last year, GARO has initiated a dynamic price campaign for certain products. A strategic choice to fill production over time and achieve economies of scale.

Net sales, GARO E-mobility



Adjusted EBIT, GARO E-mobility\*



# Cash Flow and Balance Sheet

- Cash flow from operating activities before changes in working capital amounted to MSEK -5.3 (9.5)
- Cash flow from operating activities after changes in working capital amounted to MSEK -7.5 (0.5)
- Net debt of MSEK 255.2 (286.0)
- Available liquidity including unutilized overdraft facilities of MSEK 55.9 (75.2)

MSEK	Q1 2026	Q1 2025	FY 2025
Cash flow from operating activities	-7.5	0.5	57.9
Cash flow from investing activities	-6.0	-1.9	-11.6
Cash flow for the period	-0.3	0.4	1.4
Net debt(+)/net cash(-)	255.2	286.0	239.8
Net debt(+)/net cash(-) excl. IFRS 16 effects	209.0	227.1	191.2
Equity/assets ratio, %	50.6	51.2	52.7

# Building a Stronger and More Stable GARO

**Focused priorities - aligned execution - sustainable results.**

- Our work is centered around four priorities:
  - **Organization and Execution** – Clear roles, country accountability and consistent leadership rhythm.
  - **Product and Technology** – Simplify the portfolio, ensure compliance and strengthen competitiveness.
  - **Operations and Capital** – Improve efficiency, release cash and optimize factory utilization.
  - **Market and Customer** – Strengthen relationships, service quality and brand credibility.
- Together, these priorities form the foundation for GARO's next phase of stability and profitable growth.



# Outlook

## E-mobility Market

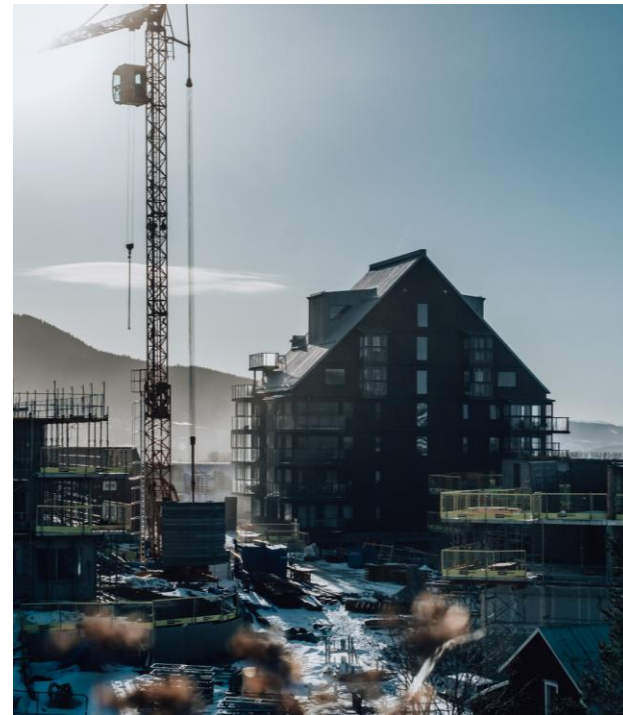
- Improving market, with positive long-term trend.
- Rising oil prices are accelerating the transition to electrified infrastructure.

## Residential Construction

- Recovery expected in 2026, boosting housing-related products.

## Commercial, Public & Industrial Demand

- Stable demand in public, commercial & industrial sectors.
- Renovations & energy efficiency fuel growth.



**Q&A**

