



Q1 2023 Presentation

11 May, 2023

Patrik Andersson, CEO
Helena Claesson, CFO

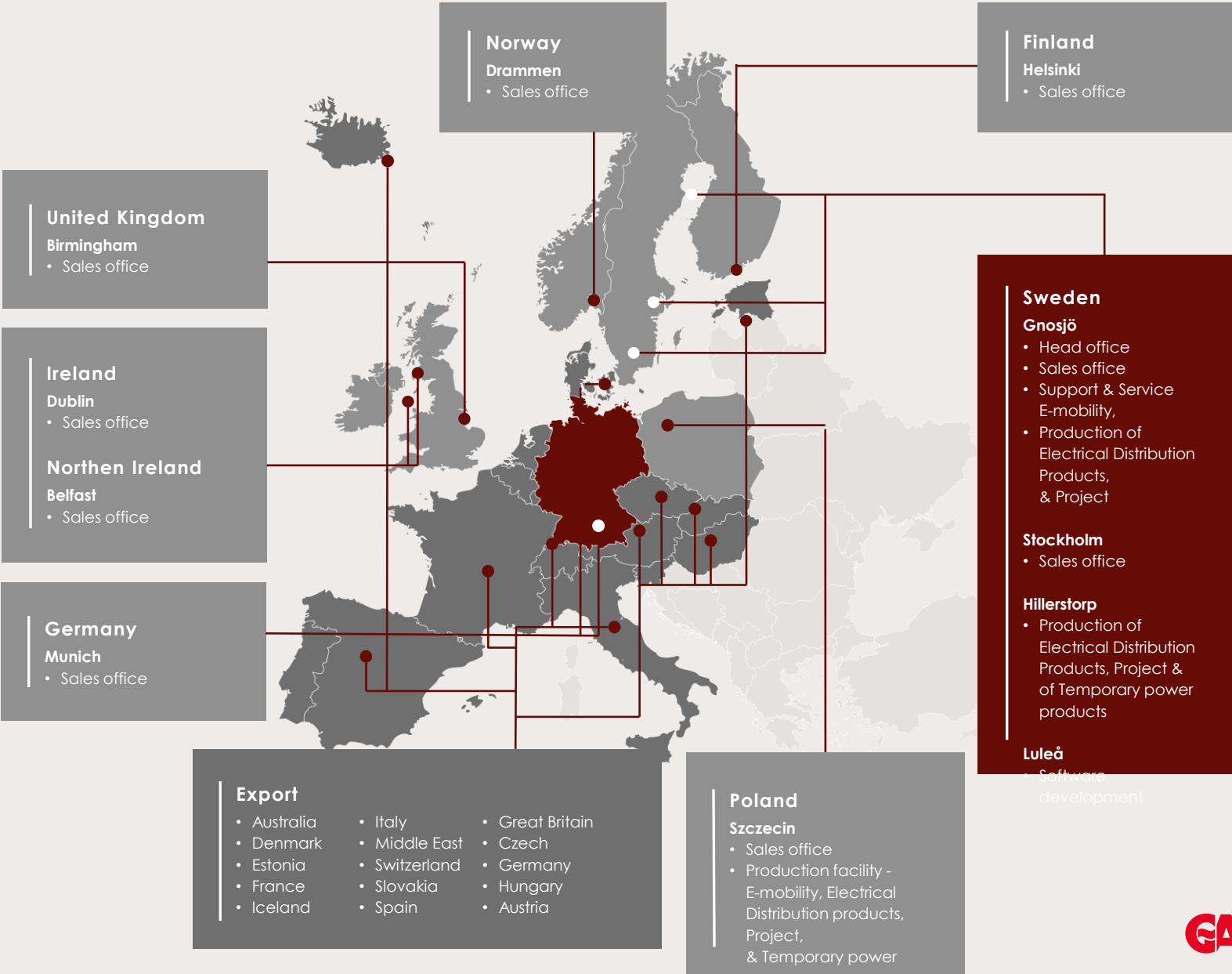


Charging the future.

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 charging a car. They are holding a charging cable connected to a black charging station. The background is a snowy mountain landscape.

E-MOBILITY

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

33% (Jan-Mar)

A man in a white ski suit, black beanie, and sunglasses is loading snowboards into the open rear hatch of a silver car. Two children in colorful ski gear are standing next to him. The car is parked on a snowy slope with ski lift infrastructure in the background.

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.

40% (Jan-Mar)



PROJECT BUSINESS

Complete and fully customized solutions ready for installation.

22% (Jan-Mar)



TEMPORARY POWER

Temporary electricity, lightning and heating for construction sites.

5% (Jan-Mar)

Highlights

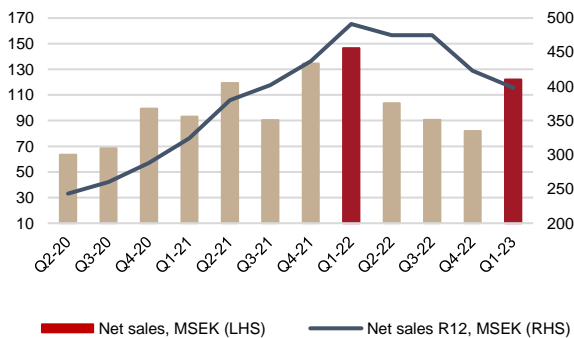
- Net sales of 370.3 MSEK (381.6), a decrease of 3%
- Still lack of components but a better situation towards the end of the quarter
- EBIT of 27.8 MSEK (66.8) and EBIT margin of 7.5% (17.5) due to:
 - Impact of lower sales, lower gross margin and higher SG&A
 - one-off costs of 3.1 MSEK due to a move to new facilities for Electrification



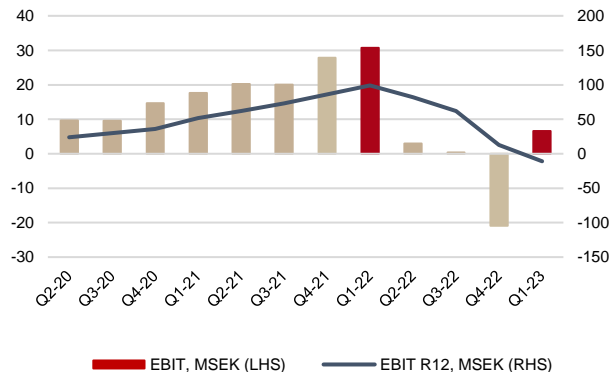
GARO E-mobility

- Net sales amounted to 122.2 MSEK (146.4) - hampered by lack of components
- Lower order-backlog but order-book still at high levels
- EBIT amounted to 6.6 MSEK (30.7), due to lower sales and changed customer- and product mix compared to last year
- EBIT margin of 5.4% (20.9)
- Sales office established in Germany

Net sales, GARO E-mobility



EBIT, GARO E-mobility



GARO Entity - a new generation chargers

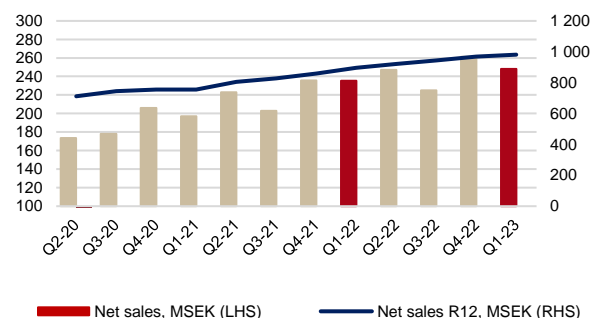
- A new product program and platform for destination charging with smart services was launched end of November
- Sales of GARO Entity Pro and deliveries started during Q1 to customers in Sweden and UK
- High focus on safety, simplicity and robustness
- Services for home use in single-family homes, apartment blocks, commercial properties and public environments
- GARO Entity Compact – sales to commence during second half of 2023



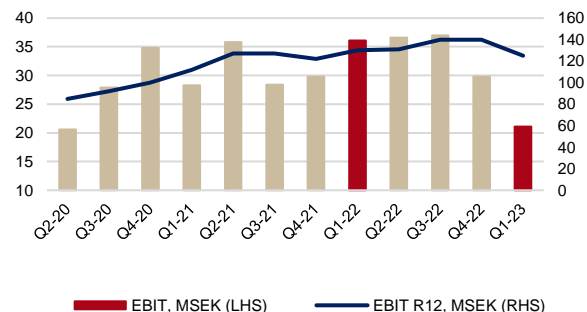
GARO Electrification

- Net sales increased by 5% to 248.1 MSEK (235.2)
- Stable market during the quarter but with weaker construction market ahead
- Sales growth in European markets outside the Nordics increased by 16%
- EBIT amounted to 21.2 MSEK (36.1) and EBIT margins of 8.5% (15.3)
 - Includes one-off costs of 3.1 MSEK related to the move to new facilities
 - Lower gross margins and higher staff

Net sales, GARO Electrification



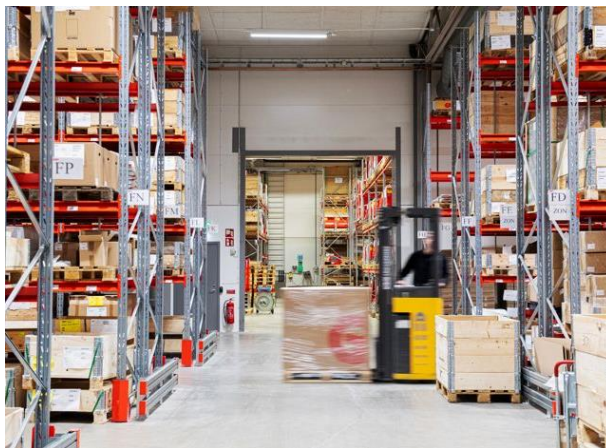
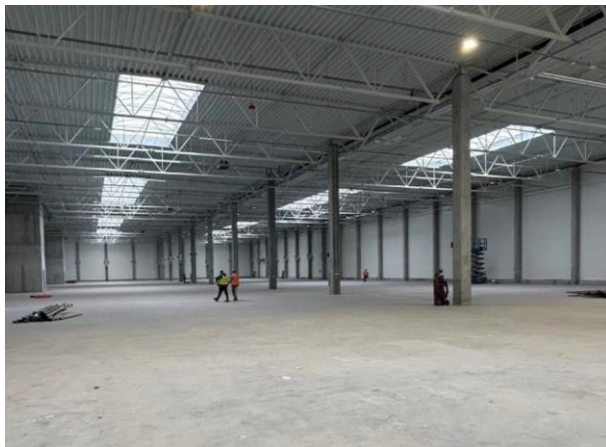
EBIT, GARO Electrification



GARO Electrification

- New facility in Hillerstorp facilitates expansion
- Project Business driven by strong growth in Sweden and increased production capacity in Poland
- GARO Entity Heat to be launched in May
- GARO's business model - two business areas complementing each other and create growth in challenging times





Cash flow and balance sheet

- CF from operating activities in the quarter of MSEK -46,6 (12,2) due to lower operating profit and higher working capital
- Strong balance sheet
 - Net debt of MSEK 245,6 compared to a net cash position of MSEK 1,7 previous year
 - Available liquidity including unutilized overdraft facilities of MSEK 96,8 (173,1)

MSEK	Q1 2023	Q1 2022	FY 2022
Cash flow from operating activities	-46,6	12,2	89,2
Cash flow from investing activities	-51,2	-16,7	-119,1
Cash flow for the period	-17,7	-8,1	-52,3
Net debt(+) / net cash (-)	245,6	-1,7	143,7
Net debt(+) / net cash (-) excl effect from IFRS16	172,3	-37,6	65,2
Equity / assets ratio, %	50,8	62,3	53,2

Outlook

Short term

- The lack of electronic components in the GARO E-mobility business area has impacted our production and delivery in the beginning of Q1. However, the situation has improved since March

Long term

- In Sweden housing production has decreased considerably and is expected to be weak during 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



A person wearing a bright red puffer jacket, blue jeans, a white knit beanie with a pom-pom, and black boots is standing in a snowy environment. They are interacting with a black charging station. A black cable runs from the station to the rear of a dark-colored car on the left. Another dark-colored car is parked on the right, with 'A4' visible on its rear. The background shows a modern building with large windows and bare trees. Snow is falling, creating a soft, hazy atmosphere. The text 'Q&A' is overlaid in the bottom left, and the 'CARO' logo is in the bottom right.

Q&A

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