Q2 2026 Presentation

August 14, 2026

Tobias Byfeldt CEO
Helena Claesson, CFO

Meet Tobias Byfeldt

Career

- **PIAB Group**
  President for PIAB Group's Lifting Automation Division, part of the Investor-owned Patricia Industries
- **Kollmorgen Automation AB**
  CEO of Kollmorgen Automation AB, as well as Vice President at Regal Rexnords Division Autonomous Mobile Solutions and successfully leading teams in several different countries

Leadership priorities

As a leader, I will put our customers at the center of everything we do, ensure a shared understanding of our strategic priorities, and lead with clarity, discipline and positive energy

Why GARO?

A well-established Swedish brand in a market driven by electrification and the energy transition. A solid foundation to build from, with exciting opportunities ahead. Together with our talented employees, I look forward to building a winning team and delivering on GARO's potential

Our key messages today

Growth and efficiency measures at GARO Electrification inspire confidence, while GARO E-mobility remains under evaluation

Confidence in GARO Electrification

GARO E-mobility underperformance

Strategic initiatives progressing

Net sales of MSEK 272,3 (266,5), up 2%

Operational Highlights

GARO Electrification

- Core business delivers growth
- International market momentum
- Production consolidation enhances efficiency
- Successful new product launch
- New urban development project secured

Operational Highlights

GARO E-mobility

- Launch of new digital solutions
- German operations successfully transferred to Swedish export function
- Pricing and sales efforts enabling improvement
- Strategic action needed to capture market share

Operational Highlights

Strategy

- Corporate consolidation strengthening organizational structure
- Production relocation from Poland to Gnosjö/Hillerstorp
- Organizational changes strengthening efficiency and customer focus
- First phase of product portfolio optimization completed

Financial Highlights

- Net sales for Q2 of MSEK 272,3 (266,5), up 2%
    - 5 % increase within GARO Electrification
    - 7% decrease within GARO E-mobility

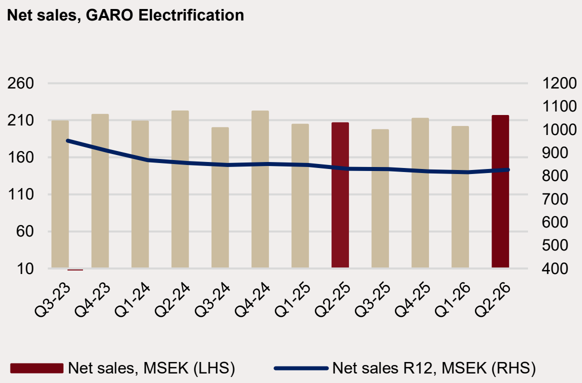
- Increased sales driven by our activities in Ireland and UK.

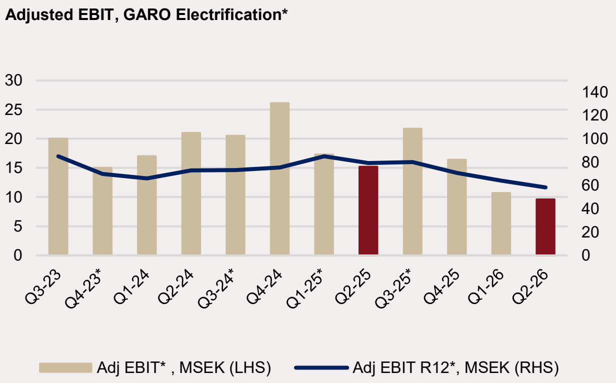
- Adjusted EBIT of MSEK -17,1 (1,0) where higher sales have been offset by weaker gross margins.

- Stable cash flow in quarter despite a weaker operating result, due to positive changes in working capital.

GARO Electrification

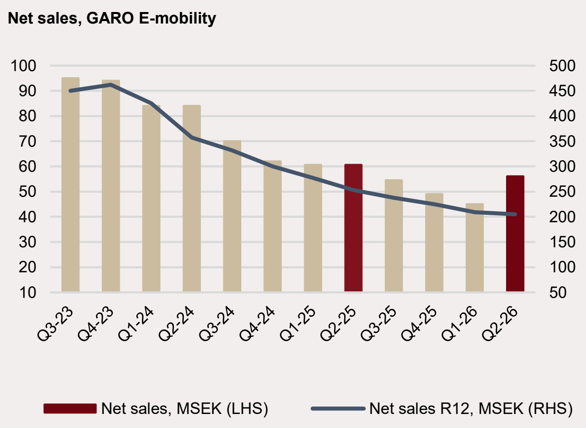
- Net sales amounted to MSEK 215.8(206.0), an increase of 5 %
- Adjusted EBIT amounted to MSEK 9.6 (15.2).
- Product mix and currency effects put pressure on gross profit.
- One-off costs of SEK 3.4 million attributable to departing personnel.
- Ongoing strategic changes, combined with finalization of ERP create conditions for improved profitability as early as this autumn.

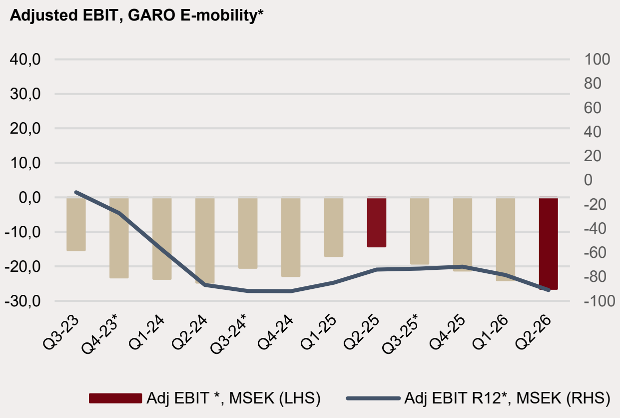




GARO E-mobility

- Net sales in the quarter amounted to MSEK 56.5 (60.5).
- Adjusted EBIT in the quarter amounted to MSEK –26.7 (-14.2).
- The lower profitability is explained by lower sales combined with a lower gross margin.
- Developments within the business area are not proceeding according to plan. Strategic work to achieve a sustainable business model is proceeding intensively.





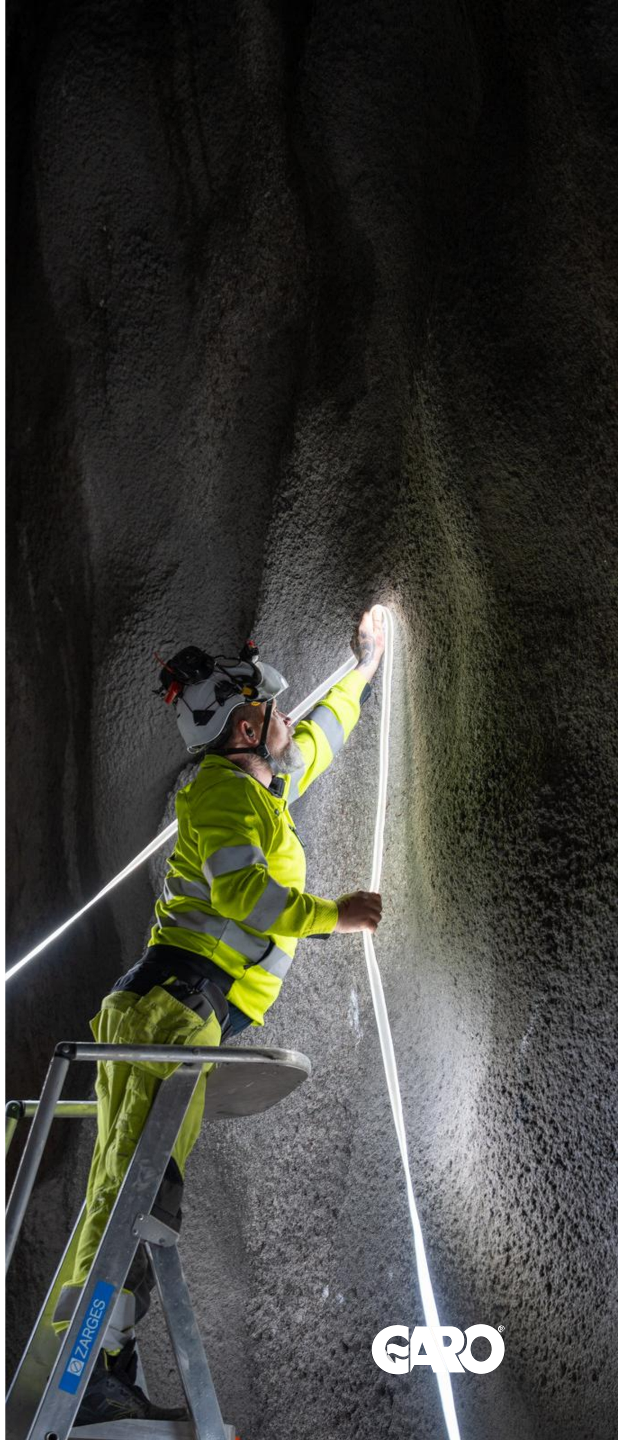
Cash Flow and Balance Sheet

- Cash flow from operating activities before changes in working capital amounted to MSEK -1.2 (0.3)
- Cash flow from operating activities after changes in working capital amounted to MSEK 13.3 (9.4))
- Net debt of MSEK 257.6 (279.6)
- Available liquidity including unutilized overdraft facilities of MSEK 50.0 (75.9)

MSEK	Q2 2026	Q2 2025	FY 2025
Cash flow from operating activities	13.3	9.4	57.9
Cash flow from investing activities	-9.7	-2.8	-11.6
Cash flow for the period	-10.5	-4.6	1.4
Net debt(+)/net cash(-)	257.6	279.6	239.8
Net debt(+)/net cash(-) excl. IFRS 16 effects	213.7	224.4	191.2
Equity/assets ratio, %	48.7	51.4	52.7

Outlook

- Confidence in GARO Electrification
- GARO E-mobility underperformance
- Strategic initiatives progressing
- Net sales of MSEK 272,3 (266,5), up 2%



Q&A

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