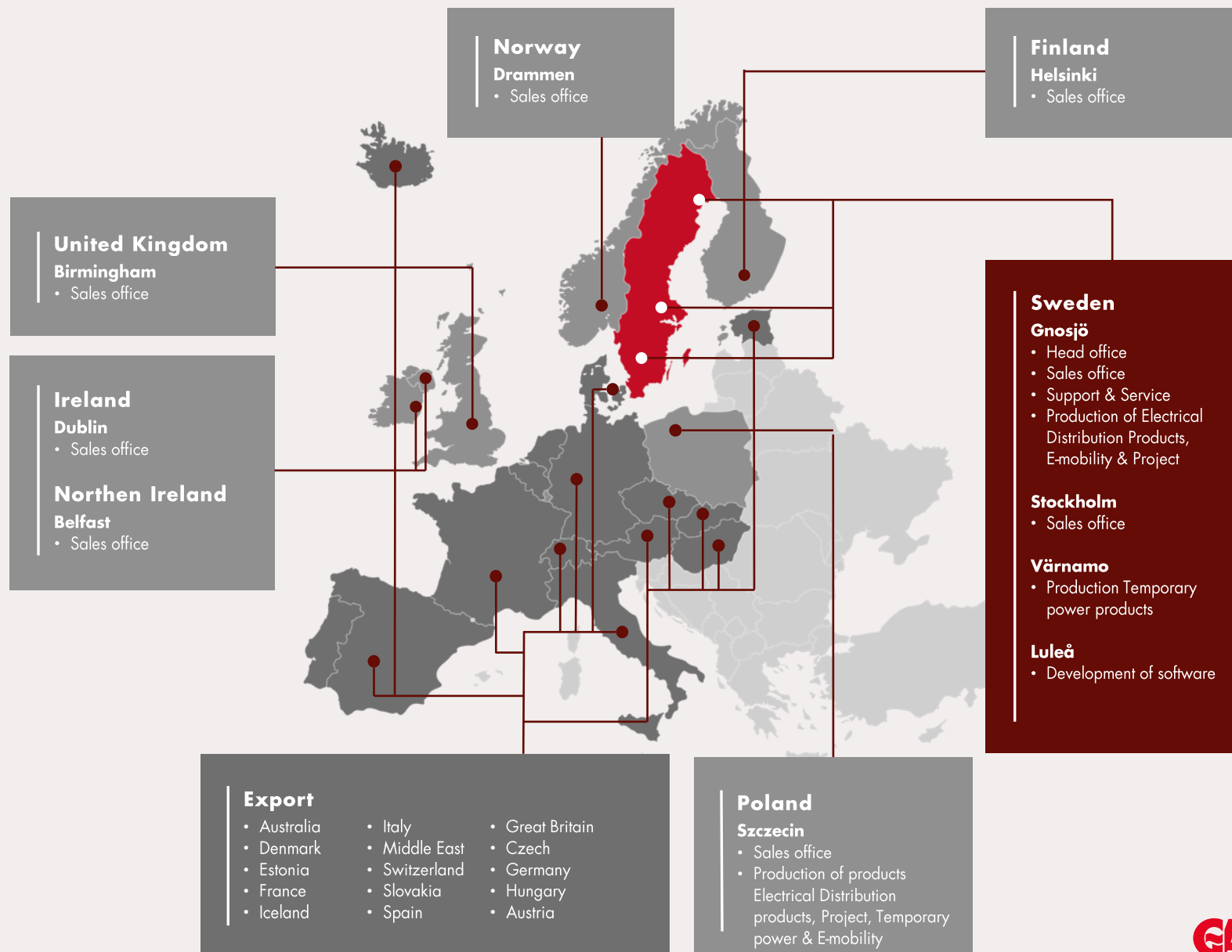


# Q1 2021 Presentation

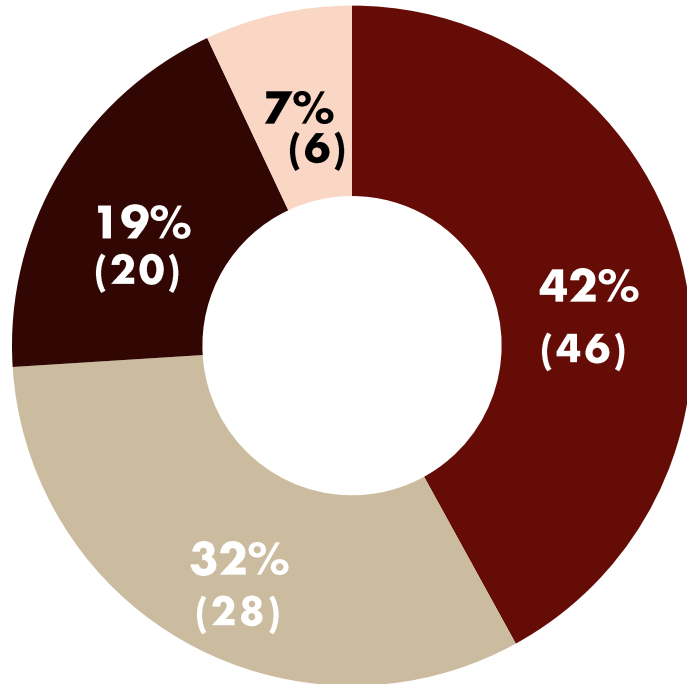
5 May 2021



# Our market



## PRODUCT AREAS



% of sales January – March 2021



### **ELECTRICAL DISTRIBUTION PRODUCTS**

3 500 products and turn-key solutions for the electrical installation market.



### **E-MOBILITY**

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



### **PROJECT BUSINESS**

Complete and fully customized solutions ready for installation.



### **TEMPORARY POWER**

Temporary electricity, lightning and heating for construction sites.

# Operational Highlights

## Growth and high profitability

- Sales: +17%
- Driven by Sweden while International were in line with last year
- Strong demand of E-mobility products and increased sales within other product areas combined
- Strong increase in results

## Continued recovery of construction related markets

- Good demand for all product categories within Electrical Distribution Products
- Benefits from a high rate of renovation
- Market share gains in Sweden
- Rental companies have increased their investments in equipment following positive signals from the underlying market

## E-mobility

- GARO Sweden sales: +108%
- Good sales development to European markets via contract customers
- GARO International sales: -12%. Deliveries of fast chargers in Norway postponed due to the pandemic
- New product launched: Castra. Enables charging cars and at camping sites simultaneously

## Market conditions

- Overall a positive view of market conditions
- Limited access to raw materials and components

# Financial Highlights

- Net sales increased by 17%, mostly organic growth.
- Operating margin of 15.8% (12.9) in the quarter, an effect from increased volumes, a favourable product mix and positive currency effect of MSEK 2.9 (-6.5)
- Profit for the quarter of MSEK 38.3, an increase of 163%

MSEK	Q1 2021	Q1 2020	%	R12	2020
Net sales	290.6	248.3	17	1 082.2	1 039.8
EBIT	45.9	18.8	144	163.3	136.2
EBIT margin,%	15.8	7.6		15.1	13.1
Profit for the period	38.3	14.6	163	119.1	95.3
EPS, SEK	3.83	1.46	163	11.91	9.53

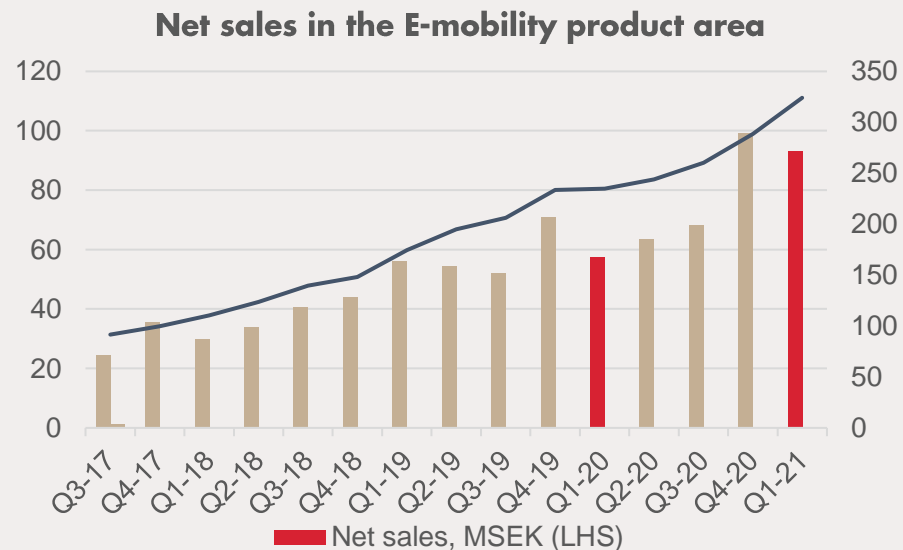
# Net sales by product area

- Electrical distribution developed positively driven by GARO Sweden offsetting weaker sales in International
- E-mobility developed strongly driven by GARO Sweden offsetting weaker sales in International
- The Project business decreased due to weaker sales in Sweden offsetting strong growth in International
- Temporary power increased as a result of strong growth in Sweden

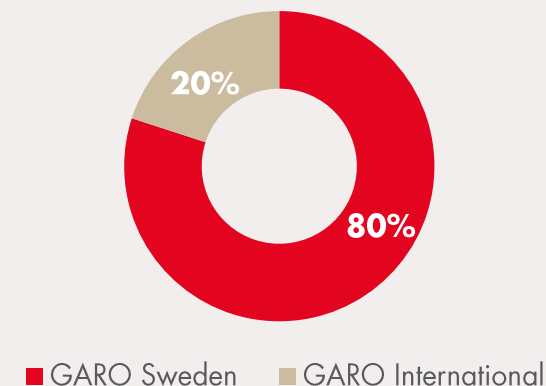
	GARO Sweden		GARO International		GARO Group	
Product area GARO Group	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020
Electrical distribution products	69.6	64.3	50.4	51.2	120.0	115.5
E-mobility	74.1	35.6	19.0	21.7	93.1	57.3
Project business	43.3	49.1	12.0	8.3	55.3	57.4
Temporary power	19.2	15.4	1.3	1.7	20.5	17.1
<b>Total</b>	<b>206.2</b>	<b>164.4</b>	<b>82.7</b>	<b>82.9</b>	<b>288.9</b>	<b>247.3</b>

# Product area E-mobility

- Net sales increased by 62%
  - GARO Sweden +108%
  - GARO International -12%
- Strong underlying growth in chargeable cars in all countries
- The strong growth in E-mobility has a beneficial effect on sales of components within Electrical Distribution products and cabinets within the Project business



**Net sales in E-mobility by business area,  
Jan-Mar 2021**





# GARO Sweden

- Net sales increased by 25% in the quarter
  - Electrical distribution products +8% while market was in line with last year
  - Temporary power +25% while Project business -12%
  - E-mobility +108%, driven by good demand across the whole product range.
- EBIT increased by 218% in the quarter
  - Explained by positive scale effects from increasing volumes, a favorable product mix and good control over costs.

MSEK	Q1 2021	Q1 2020	Change, %	R12	2020
Net sales	206.2	164.4	25	739.9	698.0
EBIT	32.8	10.3	218	112.7	90.2
EBIT margin, %	15.9	6.3	-	15.2	12.9



# GARO International

- Net sales in line with last year
  - Lower sales in E-mobility
  - Increased sales in the project business as a result of large customer projects
  - Growth in Finland and the UK while sales in Ireland and Norway decreased
- EBIT increased by 54%
  - EBIT margins of 15.8% (10.3)

MSEK	Q1 2021	Q1 2020	Change, %	R12	2020
Net sales	82.7	82.9	-	342.1	342.4
EBIT	13.1	8.5	54	50.5	46.0
<i>EBIT margin, %</i>	<i>15.8</i>	<i>10.3</i>		<i>14.8</i>	<i>13,4</i>

# Cash flow and balance sheet

- Cash flow from operating activities of MSEK 16.6 (-8.8) in the quarter driven by increased EBITDA
- Strong balance sheet
  - Net debt of MSEK 6.6
  - Available liquidity including unutilized overdraft facilities of MSEK 168.0 (107.2)
- Proposed dividend per share of 4.75
- Proposed share split 5:1

MSEK	Q1 2021	Q1 2020	R12	FY 2020
Cash flow from operating activities	16.6	-8.8	112.3	86.9
Cash flow from investing activities	-8.3	-9.1	-44.6	-45.3
Cash flow for the period	-1.0	-21.3	49.3	28.9
Net debt(+) / net cash (-)	6.6	62.1	6.6	11.3
Equity / assets ratio, %	59.3	56.4	59.3	57.9

# Sustainability

GARO endeavour to be a leading player, in terms of responsible business, in all of our operating areas.

- Choice of materials for the environment
- Fossil-free vision
- Collaboration with suppliers
- GARO's employees



# Strong growth and development opportunities



## **GARO'S VISION AND GOAL**

Become the leading  
brand on its chosen  
markets



# The effect of the Covid-19 pandemic

- Limited impact on sales in GARO Sweden
- In GARO International, we saw a mix of recovery and continued negative impact depending on country and product area
- GARO has not applied for or received any financial support from the Swedish Agency for Economic and Regional Growth as a result of COVID-19





# Outlook

- Limited access to raw material and components is currently impacting the industry to various degrees.
- Core market conditions have essentially not changed aside from the pandemic
- The market for charging infrastructure is growing structurally
- Stable demand for construction-related products in Sweden combined with the important renovation sector is expected to remain stable
- The trend in other markets served by GARO, aside from the pandemic, is expected to be similar.





**Q&A**



**GARO®**



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