

INTERIM REPORT JANUARY–SEPTEMBER 2022

GARO LAUNCHES NEW PRODUCT PROGRAM FOR DESTINATION CHARGING

JULY–SEPTEMBER 2022

- Net sales amounted to MSEK 317.0 (293.9).
- Net sales increased 8% (19).
- EBIT amounted to MSEK 37.4 (48.5).
- EBIT margin amounted to 11.8% (16.5).
- Net income was MSEK 26.6 (39.4).
- Earnings per share amounted to SEK 0.53 (0.79).

JANUARY–SEPTEMBER 2022

- Net sales amounted to MSEK 1,048.7 (925.7).
- Net sales increased 13% (26).
- EBIT amounted to MSEK 143.8 (149.5).
- EBIT margin amounted to 13.7% (16.2).
- Net income was MSEK 113.6 (120.3).
- Earnings per share amounted to SEK 2.27 (2.41).

EVENTS DURING AND AFTER THE QUARTER

- At the London EV Show and the eCar Expo in Gothenburg in the week starting November 28, GARO will launch a new platform for destination charging offering products and services for single-family homes, apartment blocks, commercial properties and public environments.
- The new platform means that GARO is advancing its position regarding access to electronics and large-scale production with its investment in a new production and logistics facility in Poland.
- The limited access to electronic components continued to negatively impact the production rate in GARO E-mobility during the third quarter, resulting in the order book remaining very large.

GARO Group key figures ¹⁾	Jul–Sep 2022	Jul–Sep 2021	+/- %	Jan–Sep 2022	Jan–Sep 2021	R12	Jan–Dec 2021
Net sales, MSEK	317.0	293.9	8	1,048.7	925.7	1,418.8	1,295.8
EBITDA, MSEK	45.6	57.2	-20	169.1	174.9	237.1	243.0
EBITDA margin, %	14.4	19.5		16.1	18.9	16.7	18.8
EBIT, MSEK	37.4	48.5	-23	143.8	149.5	201.5	207.2
EBIT margin, %	11.8	16.5		13.7	16.2	14.2	16.0
Net income, MSEK	26.6	39.4	-32	113.6	120.3	160.0	166.7
Earnings per share ²⁾ , SEK	0.53	0.79	-33	2.27	2.41	3.20	3.33
Cash flow from operating activities, MSEK	31.8	51.9		76.2	74.0	125.5	121.7
Investments, MSEK	21.3	10.6		54.5	33.9	65.9	45.3
Depreciation, MSEK	8.2	8.7		25.2	25.4	35.6	35.8
Equity ratio, %	61.4	60.4		61.4	60.4	61.4	58.9
Equity per share ²⁾ , SEK	12.0	10.1		12.0	10.1	12.0	11.0
Return on equity, %	28.9	34.2		28.9	34.2	28.9	34.0
Return on capital employed, %	32.5	38.6		32.5	38.6	32.5	39.2
Net debt (+) / net cash position (-), MSEK	44.6	28.0		44.6	28.0	44.6	-9.4

¹⁾ For definitions of key figures, see page 18.

²⁾ Earnings per share were not diluted, so earnings per share pertains to before and after dilution. In the second quarter of 2021, a 5:1 share split was carried out. All share-related data has been recalculated in the annual report based on the new number of shares. (50,000,000).

CEO PATRIK ANDERSSON'S COMMENTS ON THE QUARTER

GARO to launch new product program and platform for destination charging with smart services

Overall, the Group recorded a favorable performance during the third quarter with sales increasing 8% compared with the year-earlier quarter. Similarly to the second quarter of the year, growth was driven by high activity in GARO Electrification. Sales in GARO E-mobility were in line with the year-earlier quarter, with shortages of electronic components limiting deliveries. The order book in the business area therefore remains large.

GARO is carrying out a number of aggressive investments to maintain long-term growth and profitability. We are strengthening the organization by increasing resources primarily in sales and marketing. During the quarter, we moved to new premises in the UK, which will enable significant growth moving forward. In addition, we are our raising capacity and enhancing efficiency in production. In Poland, we are constructing a new production facility, and in Sweden, operations are expanding through relocation within GARO Electrification, where we are moving from three facilities to one new larger facility.

EBIT amounted to MSEK 37.4 (48.5) and the EBIT margin declined to 11.8% (16.5). EBIT included currency effects of MSEK -3.1 (-1.3).

Profitability in GARO Electrification was favorable, but lower in GARO E-mobility due to the aforementioned investments combined with a lack of growth in the business area.

High electricity and fuel prices are impacted companies and households to a considerable extent. For GARO, the effect has been relatively limited since our operations are not involved in heavy industry with high-energy production. We have also made continuous and conscious investments over the years for solar panels and enabling the use of fossil-free energy types.

GARO E-MOBILITY

Net sales in the GARO E-mobility business area amounted to MSEK 92.1 during the quarter, which was in line with the preceding year (91.2). The lack of growth is a result of the challenging situation concerning the supply of electronic components leading to long delivery times to customers. The order book remains large, particularly in advanced systems for public charging, where the expansion of infrastructure for public charging is continuing.

Long lead times for hybrid and electric cars have, during the latter part of the year, somewhat dampened demand for chargers for home use. We expect this part of the market to recover in line with car manufacturers' lead times reducing.

PRODUCT LAUNCHES

I am proud that we will launch a new product program for destination charging at the end of November. The launch of the new innovative products signals the start of a new era when it comes to simplicity and safety. The destination chargers are based on an entirely new technical platform with smart services for home use in

single-family homes, apartment blocks, commercial properties and public environments. Destination chargers will be showcased for the first time at the London EV Show on November 29 and at the eCar Expo in Gothenburg on December 2.

GARO ELECTRIFICATION

Net sales in the GARO Electrification business area increased 11% to MSEK 224.9. We have noted healthy growth in almost all markets and within the major product areas Electrical distribution products and Project business. Temporary Power declined somewhat year-on-year. In general, the new construction and renovation sector has remained strong during the quarter and we are seeing a positive trend in energy efficiency and electrification in society.

MATERIALS SUPPLY

The challenging situation concerning the supply of components and materials that we experienced in the first half of 2022 improved somewhat in the third quarter. For the GARO Electrification business area, deliveries to customers have been favorable. On the other hand, the lack of electronic components has impacted production and delivery capacity significantly for the GARO E-mobility business area. During the quarter, we managed the materials situation and found solutions in several areas that were severely impacted by a shortage of components. At the time of writing, a small number of critical electronic components have limited our production and delivery capacity for GARO E-mobility.

We assess that the Group's net sales for the fourth quarter will be in line with or just below the year-earlier period. Also, GARO E-mobility has challenging comparative figures compared with the fourth quarter of 2021. The hampered delivery capacity within GARO E-mobility is compensated by growth within GARO Electrification.

ZMARKET CONDITIONS

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.

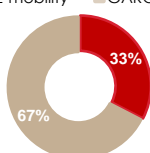
Housing construction remains at a high rate of production, but new production is expected to gradually decline during the second half of 2023. On the other hand, demand for other commercial and public construction, combined with renovation requirements, energy efficiency and electrification, is expected to remain favorable, which is positive for GARO.

All in all, we have a positive view of long-term market conditions, mainly driven by growth in charging infrastructure.

Patrik Andersson
President and CEO

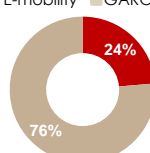
Allocation of net sales per business area, Jan-Sep 2022

■ GARO E-mobility ■ GARO Electrification



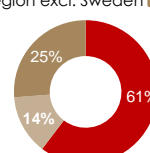
Allocation of EBIT by business area, Jan-Sep 2022

■ GARO E-mobility ■ GARO Electrification



Allocation of net sales by geographic area, Jan-Sep 2022

■ Sweden ■ Nordic region excl. Sweden ■ Europe exkl. Nordic region



Earnings

NET SALES

Net sales for the third quarter amounted to MSEK 317.0 (293.9), a rise of 8% compared with the year-earlier quarter. Net sales for the January to September 2022 period amounted to MSEK 1,048.7 (925.7) corresponding to growth of 13% compared with the year-earlier period. The increased sales have taken place organically.

Change in net sales	Jul-Sep 2022 (MSEK)	Jul-Sep 2022 (%)	Jan-Sep 2022 (MSEK)	Jan-Sep 2022 (%)
Year-earlier period	293.9		925.7	
Organic growth	20.5	7%	120.1	13%
Acquisitions and structural changes	0		0	
Exchange-rate effects	2.6	1%	2.9	
Current quarter	317.0	8%	1,048.7	13%

For definitions of key figures, see page 18

EBIT

EBIT for the quarter declined to MSEK 37.4 (48.5) and the EBIT margin amounted to 11.8% (16.5). The decline in EBIT was mainly due to lower invoicing in GARO E-mobility together with somewhat higher purchase prices compared with the year-earlier quarter. In addition, EBIT was impacted by costs for continued investments in marketing and the organization, particularly in the GARO E-mobility business area.

EBIT included currency effects of MSEK -3.1 (-1.3), with SEK having weakened against the EUR.

Due to price hikes on incoming materials and components, GARO has correspondingly adjusted prices for customers, albeit with a slight delay.

EBIT for the January to September period amounted to MSEK 143.8 (149.5) providing an EBIT margin of 13.7% (16.2). Negative currency effects impacted EBIT for the January to September period by MSEK 11.5. In the year-earlier period, positive currency effects amounted to MSEK 4.2, leading to a total currency effect between the periods of MSEK 15.7.

NET INCOME

Net financial items amounted to MSEK -2.9 (0.5) for the quarter and included currency effects from loans and hedging in foreign currency. Currency effects attributable to revaluations in hedging amounted to MSEK -0.3 (0.4).

Net income amounted to MSEK 26.6 (39.4) for the quarter, and earnings per share amounted to MSEK 0.53 (0.79). The tax expense

amounted to MSEK 7.9 (9.6) generating an average effective tax rate of 22.9% (19.6).

Net income for the January to September period amounted to MSEK 113.6 (120.3) and earnings per share amounted to MSEK 2.27 (2.41). The tax expense amounted to MSEK 29.1 (29.0) generating an average effective tax rate of 20.4% (19.4).

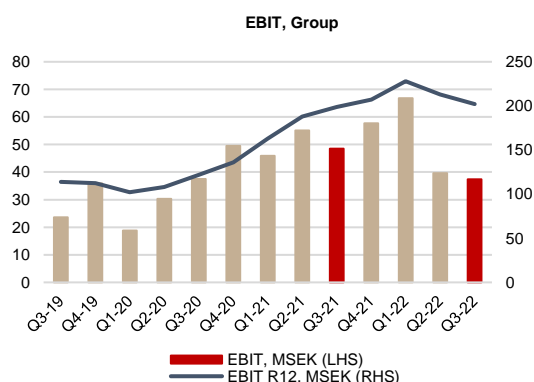
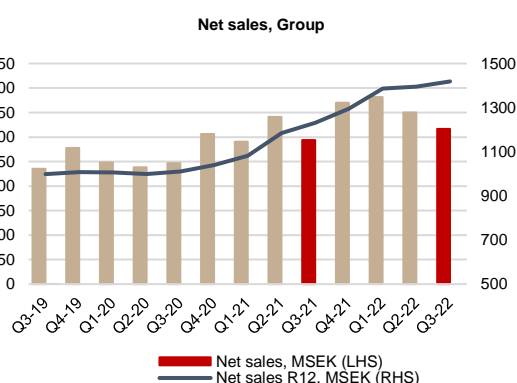
CASH FLOW AND INVESTMENTS

Cash flow from operating activities for the quarter amounted to MSEK 31.8 (51.9) as a result of a lower EBIT. As such, working capital was weaker compared with the year-earlier period, mainly as a result of larger inventory. GARO has continually made tactical purchases of materials to secure components for future product launches. The high inventory is also a result of a shortage of components, for which a large proportion of component materials for a backlog of orders remains in the inventory pending missing components for production and delivery to customer.

Cash flow from operating activities amounted to MSEK 76.2 (74.0) for the January to September 2022 period. During the January to September period, a dividend of MSEK 70.0 (47.5) was distributed to shareholders.

Investments for the quarter amounted to MSEK 21.3 (10.6), of which MSEK 6.7 (4.9) pertained to product development. Investments for the January to September 2022 period amounted to MSEK 54.5 (33.9), of which MSEK 22.7 (17.9) pertained to product development. As of September, accrued investments in GARO's new facility in Poland amounted to MSEK 18.0, where GARO continually raises construction loans in the corresponding amount.

To date this year, right-of-use assets (leases and rental contracts) increased net by MSEK 0.5 (5.2).



LIQUIDITY AND FINANCIAL POSITION

The Group's net debt at the end of the period amounted to MSEK 44.6 (28.0). The Group's net debt excluding lease liabilities, which is to say effects of IFRS 16, amounted to MSEK 7.8 (net cash: 9.0). Available liquidity in the Group, including unutilized overdraft facilities, amounted to MSEK 142.7 (147.1) and the equity ratio was 61.4% (60.4).

THE GARO SHARE

In the second quarter of 2021, a 5:1 share split was carried out, meaning that each existing share was replaced with five new shares. Figures pertaining to dividends and earnings per share for previous periods have been recalculated in the report based on the new number of shares.

At the end of the period, the number of shares amounted to 50,000,000 (50,000,000). The average number of shares, adjusted for the split, amounted to 50,000,000 (50,000,000) for the third quarter of 2022. On September 30, 2022, the share price closed at SEK 98.15 (186.80).

In conjunction with the 2022 AGM, a directed share issue of 200,000 warrants for senior executives was resolved. The program has a three-year term and is expected to contribute to achieving GARO's long-term business plan, strategy and financial targets. In the second quarter, 42,500 warrants were subscribed. The subscription of shares

using the warrants can take place in June 2025. Oversubscription may not take place.

EVENTS AFTER THE END OF THE QUARTER

In the fourth quarter, GARO is launching a new platform of products and complete solutions for destination charging. Aside from this, from the end of the period until the publication of this report, no significant events or conditions have occurred, favorable or unfavorable, that would require further disclosures.

NOMINATION COMMITTEE APPOINTED

The members appointed to the Nomination Committee until the 2023 Annual General Meeting are: Niklas Bogefors appointed by Lars Svensson, Fredrik Carlsson appointed by Svolder AB, Jan Andersson appointed by Swedbank Robur Funds and Rickard Blomqvist in his capacity as Chairman of GARO AB. Niklas Bogefors has been appointed as Chairman of the Nomination Committee. Shareholders who wish to submit proposals to the Nomination Committee can send an e-mail to valberedningen@garo.se.

ANNUAL GENERAL MEETING

The 2023 Annual General Meeting will take place on Wednesday, May 11, 2023 in Gnosjö, Sweden. Please visit www.garo.se for more information.

GARO's business areas

Since January 1, 2022, GARO has divided operations in two business areas: GARO E-mobility and GARO Electrification. GARO E-mobility consists of the E-mobility product area and GARO Electrification consists of the three product areas of Electrical distribution products, Project business & Temporary Power. Financial information concerning previous periods have been restated in the report to comply with the new segment division.

GARO E-mobility

NET SALES

Net sales for GARO E-mobility amounted to MSEK 92.1 for the third quarter, compared with MSEK 91.2 for the year-earlier quarter. The order intake was favorable during the quarter and weaker growth was the result of component shortages. The favorable order intake combined with a lower delivery capacity has resulted in an order book that has risen substantially. In Sweden, GARO noted weaker sales to wholesalers partly as a result of greater competition in home charging, but also due to longer lead times for electric and hybrid cars leading to many end customers currently postponing their purchases of home chargers.

Internationally, GARO noted a favorable sales trend during the quarter in the UK and Finland compared with the year-earlier quarter. Net sales to GARO's contract customers such as energy companies and players in the automotive industry with establishment in Europe has remained at similar levels as the year-earlier quarter. Even internationally, the shortage to electronic components has impacted GARO's ability to deliver to customers.

During the quarter, GARO commenced deliveries to a global manufacturer of heavy vehicles. Deliveries are taking place under the framework agreement that was signed in the second quarter. Interest is considerable from several players in the heavy automotive industry and deliveries to an additional automotive player will commence in the fourth quarter.

PRODUCT LAUNCHES

In the fourth quarter, GARO is launching a new product program for destination charging. The launch of the new innovative products signals the start of a new era when it comes to simplicity, safety and security. Destination chargers are based on a new technical platform as well as services for home use in single-family homes, apartment blocks, commercial properties and public environments.

EARNINGS

EBIT for the quarter declined to MSEK 0.4 (20.1) and the EBIT margin amounted to 0.4% (22.0). The decline in profitability in the quarter is attributable to lower sales volumes combined with GARO's continued aggressive investments in the market and organization. EBIT included currency effects of MSEK -0.9 (-0.8).

EBIT was charged with expenses for marketing investments particularly in Sweden and the UK. In the UK, GARO relocated to new premises in the third quarter, benefiting continued expansion in the British market.

The number of employees at the end of the period was 212 (181). In addition, 15 temporary personnel were contracted in production.

GARO E-mobility		Jul–Sep	Jul–Sep	Jan–Sep	Jan–Sep	R12	Jan–Dec
Key figures		2022	2021	2022	2021		2021
Net sales	MSEK	92.1	91.2	341.5	303.2	476.1	437.8
Growth	%	1	32	13	60	18	52
EBIT	MSEK	0.4	20.1	34.0	57.9	62.0	85.8
EBIT margin	%	0.4	22.0	9.9	19.1	13.0	19.6
Investments	MSEK	19.4	4.9	52.2	21.6	59.8	29.2
Depreciation	MSEK	2.9	2.2	8.7	6.1	10.9	8.2
Number of employees		212	181	212	181	210	202

For definitions of key figures, see page 18

THE MARKET

The global transition to a fossil-free society benefits GARO. The strong demand for electric and hybrid cars is driving the need for the rapid expansion of charging infrastructure with products for electric car charging at home, in public environments and at workplaces. Norway and Sweden are at the forefront of charging infrastructure, primarily in electric car charging for housing, and these countries are therefore investing heavily in public spaces in both destination charging¹ and quick charging.

To accelerate the expansion of the charging infrastructure in Europe, governments are launching various initiatives to promote the development of fossil-free fuel. For example, the UK has requirements that all new housing, business premises, offices, etc., must have a minimum of one charging station for electric cars per four parking spaces. The regulation is expected to lead to demand for 1.45 million charging stations per year. In addition, there is now a legal requirement in the UK that all new wall boxes must be connectable with one Open Charge Point Protocol (OCPP). An OCPP makes it possible for electricity suppliers to balance accessible energy on the electricity grid. GARO welcomes this requirement partly because it is in line with the developments in society toward smart cities and partly because GARO is one of the players that has this type of product and function within its existing product portfolio.

A green technology tax deduction of 50% of the labor and material costs for the installation of home chargers for purchases through electrical installers has been available in Sweden since January 2021.

Energy companies play an important role for the end user. The relationship that they have with their customers is continually changing, and GARO has noted that energy companies are developing their customer relationships toward various forms of subscription and other long-term relationships. This means that the Group's relationships with energy companies and vehicle manufacturers is becoming increasingly important. With the help of

their platforms, GARO receives access to new markets and opportunities to introduce products to more European countries.

GARO'S ROLE

GARO developed its first charging station back in 2008 and today is a complete supplier with a broad offering in electric car charging, primarily in destination charging¹. Together with the GARO Electrification business area, GARO offers a complete solution from power supply to electric car charging.

GARO currently has a broad and strong product portfolio, which is a prerequisite for success in this rapidly growing industry. To ensure that the customer offering remains at the forefront in terms of the product portfolio, considerable resources are invested in product development, primarily in destination charging¹. In the destination charger product category, a number of products are being manufactured that meet the need of electric car charging in home environments, at the workplace and in public.

HIGH DEMAND FOR PUBLIC DESTINATION CHARGING

The expansion of public charging infrastructure remains at a high level, particularly for advanced systems connected to payment solutions.

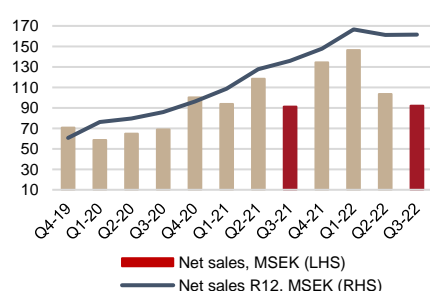
The increased demand for suppliers who can offer a broad array of products and complete solutions for public charging benefits GARO which, for example, delivered two projects to BMW in the third quarter in both DC and AC charging.

SYNERGY EFFECTS BETWEEN BUSINESS AREAS

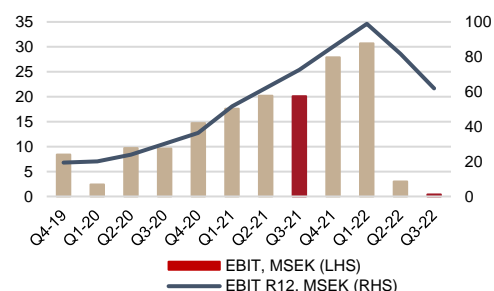
The strong growth in GARO E-mobility has benefited sales of components in GARO Electrification and the Electrical distribution products product area as well as cable cabinets and energy supply in the Project business product area.

¹ The range includes AC chargers (alternating current) with effects between 11–22 kW and DC chargers (direct current) with an effect up to 50 kW.

Net sales, GARO E-mobility



EBIT, GARO E-mobility



GARO Electrification

NET SALES

Net sales amounted to MSEK 224.9 for the third quarter, compared with MSEK 202.7 for the year-earlier quarter. This corresponded to growth of 11% and was attributable to the Electrical distribution products and Project business product areas. Growth for GARO's sales companies in Europe (excluding the Nordic region) amounted to 12% in the third quarter and 31% for the January to September period.

EARNINGS

EBIT for the quarter amounted to MSEK 37.0 (28.4) and the EBIT margin amounted to 16.5% (14.0). The strengthened EBIT margin is a result of a beneficial product mix and adjusted prices. EBIT included currency effects of MSEK -2.2 (-0.5), with SEK having weakened against the EUR.

Due to price hikes on incoming materials and components, GARO has correspondingly adjusted prices for customers, albeit with a slight delay.

The number of employees at the end of the period was 308 (286). In addition, around 25 temporary personnel were contracted in production.

ELECTRICAL DISTRIBUTION PRODUCTS

Sales in the Electrical distribution products product area increased 11% during the quarter compared with the year-earlier period, which is assessed to be higher growth than the market in general. GARO has noted strong sales and healthy demand in a number of customer categories related to new production, renovation and energy efficiency, demonstrating the importance of a broad product range. Favorable sales of security products such as standard components, fuse boxes and products for energy measurements was particularly positive.

Many deliveries of recreational products were completed during the quarter as the season is now reaching its end, but this will be replaced by sales of engine heaters during the winter season, a product that is based on the same system.

PROJECT BUSINESS

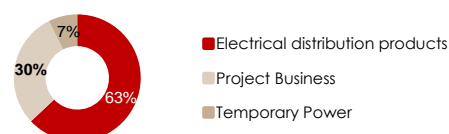
Sales in the Project business product area increased 7% during the quarter compared with the year-earlier quarter as a result of healthy demand for large, small and more complex customer projects.

In Sweden, demand was very high with substantial sales and a high order intake. Volume growth in Sweden and Ireland is driven by new construction, renovation and the energy efficiency of properties as well as by electrification of the vehicle fleet. In the UK, growth is particularly driven by the roll-out of charging infrastructure. Overall, these conditions enable favorable growth.

TEMPORARY POWER

Sales in the Temporary Power product area were 5% lower compared with the year-earlier quarter, which was a challenging comparative period. Sales in this product area are primarily to customers in Sweden, and in 2021, GARO had one individual customer who invested heavily. Considering this, GARO has performed well in the product area.

Allocation of net sales by product area, Jan–Sep 2022



THE MARKET

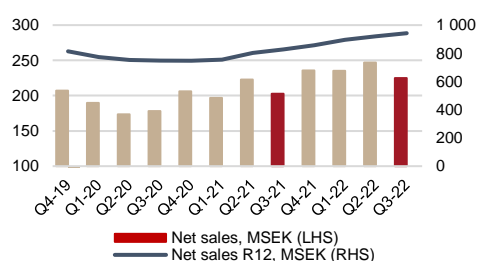
The new construction and the renovation sector remained strong during the quarter and GARO believes that the underlying market as a whole is unchanged compared with the preceding year, which indicates that GARO has captured market shares.

GARO has participated in several trade fairs in Europe during the quarter where interest has been considerable and where we have had the opportunity of demonstrating the entire product range in GARO Electrification and the synergies with GARO E-mobility.

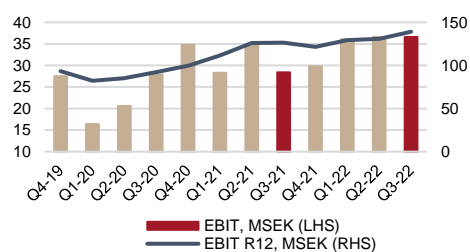
GARO Electrification		Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021	R12	Jan–Dec 2021
Key figures		2022	2021	2022	2021		2021
Net sales	MSEK	224.9	202.7	707.2	622.3	942.9	858.0
Growth	%	11	13	13	14	13	15.0
EBIT	MSEK	37.0	28.4	109.8	91.6	139.6	121.4
EBIT margin	%	16.5	14.0	15.6	14.7	14.8	14.1
Investments	MSEK	1.9	5.7	2.3	12.3	6.1	16.1
Depreciation	MSEK	5.3	6.5	16.5	19.3	24.6	27.5
Number of employees		308	286	308	286	305	296

For definitions of key figures, see page 18

Net sales, GARO Electrification



EBIT, GARO Electrification

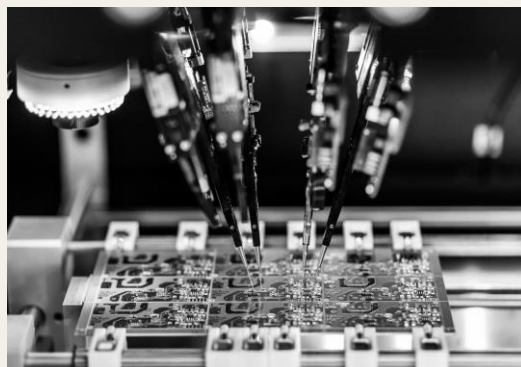


PRODUCT DEVELOPMENT

GARO is continually developing its customer offering in both of its business areas of Electrification and E-mobility. As such, the material synergy effects between the Electrical distribution products, Project business and E-mobility product areas are further improved.

The trend we see now is for increased safety requirements from different players in the market, while regulations are becoming increasingly stringent for all types of electrical products. GARO welcomes the developments related to safety and certifications. With the help of innovative product development, products are designed based on country-specific requirements and regulations in the European market. The Group offers the market safe and future-proof products - *Future-proof*.

In 2022, we will also be launching a number of new exciting and innovative products, mainly in the E-mobility product area.



Sustainability

The Group bases its framework of GARO's sustainability work on two cornerstones: how proprietary operations are structured, and how the products contribute to the transition to an electrified society. The business is working continuously to be an environmentally friendly, safe and enjoyable workplace in which the Group assumes overall responsibility for the organization and the value chain. The products and services provided create the preconditions for a fossil-free society and, in this way, operations can contribute to the transition to a carbon-neutral society.

GARO's sustainability efforts are to contribute to the UN Sustainable Development Goals (SDGs) and be in line with the Paris Agreement. The Group has selected six SDGs for contributing to the global transition. To ensure that relevant operational targets have been identified, continual follow-ups and assessments are conducted throughout operations, including the value chain.

For more information about GARO's goals for a more sustainable environment, refer to our 2021 Annual Report, pages 34–51.



Parent Company figures

The Parent Company's operations encompass the product area Electrical distribution products, development department, Group Management and certain Group-wide functions.

Net sales for the Parent Company in the third quarter amounted to MSEK 111.9 (105.4). Internal sales to other Group companies amounted to MSEK 35.8 (40.4). EBIT for the quarter amounted to MSEK 18.9 (15.0).

Parent Company sales for the January to September 2022 period amounted to MSEK 364.6 (347.4) and EBIT amounted to MSEK 61.8 (43.6).

GARO's financial targets

<p>Sales growth Organic growth will amount to not less than 10% over a business cycle.</p>	<table border="1"> <thead> <tr> <th>Year</th> <th>Growth, %</th> <th>Goal, %</th> </tr> </thead> <tbody> <tr><td>2017</td><td>21</td><td>10</td></tr> <tr><td>2018</td><td>13</td><td>10</td></tr> <tr><td>2019</td><td>12</td><td>10</td></tr> <tr><td>2020</td><td>3</td><td>10</td></tr> <tr><td>2021</td><td>25</td><td>10</td></tr> <tr><td>R12</td><td>15</td><td>10</td></tr> </tbody> </table>	Year	Growth, %	Goal, %	2017	21	10	2018	13	10	2019	12	10	2020	3	10	2021	25	10	R12	15	10
Year	Growth, %	Goal, %																				
2017	21	10																				
2018	13	10																				
2019	12	10																				
2020	3	10																				
2021	25	10																				
R12	15	10																				
<p>Profitability The EBIT margin for the Group will amount to not less than 10% of net sales over a business cycle.</p>	<table border="1"> <thead> <tr> <th>Year</th> <th>Operating margin, %</th> <th>Goal, %</th> </tr> </thead> <tbody> <tr><td>2017</td><td>12</td><td>10</td></tr> <tr><td>2018</td><td>13</td><td>10</td></tr> <tr><td>2019</td><td>11</td><td>10</td></tr> <tr><td>2020</td><td>13</td><td>10</td></tr> <tr><td>2021</td><td>16</td><td>10</td></tr> <tr><td>R12</td><td>14</td><td>10</td></tr> </tbody> </table>	Year	Operating margin, %	Goal, %	2017	12	10	2018	13	10	2019	11	10	2020	13	10	2021	16	10	R12	14	10
Year	Operating margin, %	Goal, %																				
2017	12	10																				
2018	13	10																				
2019	11	10																				
2020	13	10																				
2021	16	10																				
R12	14	10																				
<p>Return Return on equity will amount to not less than 20% over a business cycle.</p>	<table border="1"> <thead> <tr> <th>Year</th> <th>Return on Equity, %</th> <th>Goal, %</th> </tr> </thead> <tbody> <tr><td>2017</td><td>38</td><td>20</td></tr> <tr><td>2018</td><td>32</td><td>20</td></tr> <tr><td>2019</td><td>28</td><td>20</td></tr> <tr><td>2020</td><td>25</td><td>20</td></tr> <tr><td>2021</td><td>35</td><td>20</td></tr> <tr><td>R12</td><td>30</td><td>20</td></tr> </tbody> </table>	Year	Return on Equity, %	Goal, %	2017	38	20	2018	32	20	2019	28	20	2020	25	20	2021	35	20	R12	30	20
Year	Return on Equity, %	Goal, %																				
2017	38	20																				
2018	32	20																				
2019	28	20																				
2020	25	20																				
2021	35	20																				
R12	30	20																				
<p>Equity ratio The equity ratio will not be less than 30%.</p>	<table border="1"> <thead> <tr> <th>Year</th> <th>Equity ratio, %</th> <th>Goal, %</th> </tr> </thead> <tbody> <tr><td>2017</td><td>48</td><td>30</td></tr> <tr><td>2018</td><td>52</td><td>30</td></tr> <tr><td>2019</td><td>50</td><td>30</td></tr> <tr><td>2020</td><td>58</td><td>30</td></tr> <tr><td>2021</td><td>60</td><td>30</td></tr> <tr><td>R12</td><td>62</td><td>30</td></tr> </tbody> </table>	Year	Equity ratio, %	Goal, %	2017	48	30	2018	52	30	2019	50	30	2020	58	30	2021	60	30	R12	62	30
Year	Equity ratio, %	Goal, %																				
2017	48	30																				
2018	52	30																				
2019	50	30																				
2020	58	30																				
2021	60	30																				
R12	62	30																				
<p>Dividend policy GARO's dividend will amount to approximately 50% of the Group's net earnings after tax. The dividend proposal must take into account GARO's long-term dividend potential and the Group's general investment and consolidation requirements.</p>	<table border="1"> <thead> <tr> <th>Year</th> <th>Dividend, %</th> <th>Policy, %</th> </tr> </thead> <tbody> <tr><td>2017</td><td>48</td><td>50</td></tr> <tr><td>2018</td><td>48</td><td>50</td></tr> <tr><td>2019</td><td>48</td><td>50</td></tr> <tr><td>2020</td><td>48</td><td>50</td></tr> <tr><td>2021</td><td>42</td><td>50</td></tr> </tbody> </table>	Year	Dividend, %	Policy, %	2017	48	50	2018	48	50	2019	48	50	2020	48	50	2021	42	50			
Year	Dividend, %	Policy, %																				
2017	48	50																				
2018	48	50																				
2019	48	50																				
2020	48	50																				
2021	42	50																				

Overview

NATURE OF OPERATIONS

GARO develops, manufactures and markets innovative products and systems for the electrical installations market under its own brand. The company has operations in Sweden, Norway, Finland, Ireland, Poland and the UK. The Group is organized in two business areas: GARO Electrification and GARO E-mobility. GARO has a broad product assortment and is a market leader within several product areas.

GARO's business concept is to, with a focus on innovation, sustainability and design, provide profitable complete solutions for the electrical industry.

SEASONAL VARIATIONS

GARO's operations are, to a certain degree, subject to seasonal variations. GARO's sales are generally stable from one quarter to the next, but can fluctuate monthly within the quarter. Sales can be somewhat lower during the vacation months (July–August) and from December to January. During periods of high production, GARO is normally tied up in working capital. Cash and cash equivalents are freed from working capital after the busy season, when the finished products have been installed in customers' facilities and invoices have been paid.

RISKS AND UNCERTAINTIES

Currently, the situation in Ukraine is not having any notable impact for GARO and its operations. However, uncertainty remains concerning the availability of components as well as the potential consequences of the varying degrees of rising inflation and interest rates. GARO's risks and uncertainties are described in Note 3 on pages 68–71 of the 2021 Annual Report. The Annual Report is available at www.garo.se. Aside from these, no other changes have affected the company's view of risks and uncertainties.

ALTERNATIVE PERFORMANCE MEASURES

In this interim report, GARO presents certain financial measures that are not defined by IFRS, known as alternative performance measures. The Group believes that these measures provide valuable supplementary information to investors since they enable evaluations of the company's earnings and financial position. These financial measures are not always comparable with the measures

used by other companies since not all companies calculated them in the same way. Investors should view these financial measures as a supplement rather than a replacement of financial reporting in accordance with IFRS.

RELATED-PARTY TRANSACTIONS

Related-party transactions in 2022 took place at a limited extent as the previous year and in accordance with the principles described in the 2021 Annual Report.

ACCOUNTING POLICIES

Since January 1, 2022, GARO has divided operations in two business areas: GARO E-mobility and GARO Electrification. Financial information concerning previous periods have been restated in the report to comply with the new segment division.

Otherwise, GARO AB applies the same accounting policies as in the most recent Annual Report.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. Disclosures in accordance with IAS 34, 16A are presented in the financial statements and their notes in the interim information on pages 1–18, which constitute an integrated part of this financial statement.

The Parent Company's interim report was prepared in accordance with Chapter 9 of the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.

AUDITORS' STATEMENT

This interim report was reviewed by the company's auditors, refer to page 10.

Gnosjö, November 11, 2022

GARO AB

The Board of Directors

This information is such information that GARO aktiebolag is obligated to publish in accordance with the EU Market Abuse Regulation. The information was published by the abovementioned contact persons on November 11, 2022, at 8:30 a.m. CET.

Auditor's Review Report

GARO AB (publ), Corp. ID. No. 556051-7772

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) of GARO AB (publ) as of September 30, 2022, and the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters

that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Jönköping, November 10, 2022

Ernst & Young AB

Joakim Falck

Authorized Public Accountant

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	R12	Jan-Dec 2021
Amount in MSEK						
Operating income						
Net sales	317.0	293.9	1,048.7	925.7	1,418.8	1,295.8
Other operating income	1.3	0.7	5.3	2.9	8.9	6.6
Total operating income	318.3	294.6	1,054.0	928.6	1,427.7	1,302.4
Operating expenses						
Raw materials and consumables	-169.5	-151.1	-544.9	-461.0	-733.2	-649.3
Other external expenses	-38.3	-28.1	-116.7	-101.6	-159.9	-144.9
Personnel expenses	-64.8	-58.2	-223.2	-191.1	-297.3	-265.2
Depreciation/amortization of tangible and intangible assets	-8.2	-8.7	-25.2	-25.4	-35.6	-35.8
Other operating expenses	-0.1	0	-0.2	0	-0.2	0
EBIT	37.4	48.5	143.8	149.5	201.5	207.2
Result from financial items						
Net financial income/expenses	-2.9	0.5	-1.1	-0.2	0.3	1.2
Profit before tax	34.5	49.0	142.7	149.3	201.8	208.4
Income tax	-7.9	-9.6	-29.1	-29.0	-41.8	-41.7
Net income	26.6	39.4	113.6	120.3	160.0	166.7
Other comprehensive income:						
Items that may be reclassified to the income statement						
Translation differences	4.6	-0.7	5.0	0.6	6.4	2.0
Other comprehensive income, net	4.6	-0.7	5.0	0.6	6.4	2.0
Total comprehensive income for the period	31.2	38.7	118.6	120.9	166.4	168.7
Net income and total comprehensive income for the period is attributable to shareholders of the Parent Company.						
Key ratios per share						
Average number of shares	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Earnings per share, before and after dilution, SEK	0.53	0.79	2.27	2.41	3.20	3.33

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amount in MSEK	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
ASSETS			
Fixed assets			
Intangible assets	123.5	103.6	108.1
Tangible assets	167.2	146.3	144.1
Other assets	4.2	3.6	3.2
Total fixed assets	294.9	253.5	255.4
Current assets			
Inventories	319.7	219.7	242.1
Accounts receivable	299.3	292.6	336.0
Other current receivables	27.3	21.3	21.8
Cash and cash equivalents	38.7	46.4	81.6
Total current assets	685.0	580.0	681.5
TOTAL ASSETS	979.9	833.5	936.9
EQUITY AND LIABILITIES			
Share capital	20.0	20.0	20.0
Other reserves	4.1	2.9	-0.9
Other contributed capital	1.5	0	0
Retained earnings including net income for the period	576.0	480.8	532.4
Total equity	601.6	503.7	551.5
Long-term liabilities			
Liabilities to credit institutions	22.0	26.1	26.5
Lease liabilities	26.5	27.1	26.3
Other provisions	8.6	5.2	6.3
Deferred tax liabilities	0.1	0.5	0
Total long-term liabilities	57.2	58.8	59.1
Short-term liabilities			
Liabilities to credit institutions	24.5	11.3	9.9
Lease liabilities	10.4	9.9	9.5
Accounts payable	146.3	127.6	166.5
Other short-term liabilities	139.9	122.1	140.4
Total short-term liabilities	321.1	271.0	326.3
TOTAL EQUITY AND LIABILITIES	979.9	833.5	936.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to shareholders in the Parent Company Amount in MSEK	Share capital	reserves	Other contributed capital	Retained earnings	Total equity
Equity at January 1, 2021	20.0	-2.9		413.2	430.3
Net income for the period				166.7	166.7
Other comprehensive income for the period		2.0		0	2.0
Dividend to shareholders				-47.5	-47.5
Closing equity, December 31, 2021	20.0	-0.9	0	532.4	551.5
Equity at January 1, 2022	20.0	-0.9	0	532.4	551.5
Net income for the period				113.6	113.6
Other comprehensive income for the period		4.1		0	5.0
Warrant liquidity received			1.5	0	1.5
Dividend to shareholders				-70.0	-70.0
Closing equity, September 30, 2022	20.0	4.1	1.5	576.0	601.6

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT

Amount in MSEK	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	R12	Jan-Dec 2021
Operating activities						
Cash flow from operating activities before changes in working capital	44.2	47.0	147.7	147.4	217.8	217.5
Cash flow from changes in working capital	-12.4	4.9	-71.5	-73.4	-92.3	-95.8
Cash flow from operating activities	31.8	51.9	76.2	74.0	125.5	121.7
Investing activities						
Investments in intangible assets	-6.7	-4.9	-22.7	-17.9	-31.3	-26.5
Acquisition of subsidiaries	0	0	-0.9	0	-0.9	0
Investments in tangible assets	-14.6	-5.7	-30.9	-16.0	-33.7	-18.8
Disposal of tangible assets	0	0	0	0	0.9	0.9
Cash flow from investing activities	-21.3	-10.6	-54.5	-33.9	-65.0	-44.3
Financing activities						
Net borrowing/amortization of loans	12.7	-3.7	11.5	-6.9	12.3	-6.2
Amortization of lease liability	-2.7	-2.9	-8.3	-8.8	-11.2	-11.7
Warrant liquidity received	0	0	1.5	0	1.5	0
Dividend paid to shareholders	0	0	-70.0	-47.5	-70.0	-47.5
Cash flow from financing activities	10.0	-6.6	-65.3	-63.2	-67.4	-65.4
Cash flow for the period	20.5	34.7	-43.6	-23.2	-6.9	11.9
Currency effect in cash and cash equivalents	-0.7	0	0.7	0.2	-0.8	0.3
Cash and cash equivalents, start of the period	18.9	11.7	81.6	69.4	46.4	69.4
Cash and cash equivalents, end of the period	38.7	46.4	38.7	46.4	38.7	81.6

CONDENSED PARENT COMPANY INCOME STATEMENT

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Amount in MSEK					
Operating income					
Net sales	111.9	105.4	364.6	347.4	481.7
Other operating income	15.4	2.5	48.0	8.1	12.8
Total income	127.3	107.9	412.6	355.5	494.5
Operating expenses					
Raw materials and consumables	-71.4	-59.1	-227.1	-195.2	-291.3
Other external expenses	-13.7	-11.2	-42.0	-39.8	-50.1
Personnel expenses	-21.1	-20.0	-74.6	-68.8	-77.1
Depreciation/amortization of tangible and intangible assets	-2.2	-2.6	-7.1	-8.1	-12.6
EBIT	18.9	15.0	61.8	43.6	63.4
Result from financial items					
Profit from participations in Group companies	0	0	0	0	7.2
Net interest income and similar items	1.5	1.4	6.5	2.8	6.8
Net interest expenses and similar items	0.0	-0.4	0	0.3	-2.5
Profit before tax	20.4	16.0	68.3	46.7	74.9
Appropriations	0	0	0	0	47.0
Income tax	-4.2	-3.2	-14.0	-9.1	-23.6
Net income	16.2	12.8	54.3	37.7	98.3

The Parent Company does not have any items recognized as other comprehensive income which is why comprehensive income corresponds to net income.

CONDENSED PARENT COMPANY BALANCE SHEET

Amount in MSEK	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
ASSETS			
Fixed assets			
Intangible assets	63.5	37.8	43.5
Tangible assets	35.5	45.1	38.4
Participations in Group companies	80.6	79.3	80.8
Other financial assets	62.8	61.7	59.9
Total fixed assets	242.4	223.9	222.6
Current assets			
Inventories	48.8	35.3	40.8
Accounts receivable	77.4	75.8	83.9
Other receivables	124.4	90.0	189.9
Cash and bank balances	33.0	34.7	71.4
Total current assets	283.6	235.8	386.0
TOTAL ASSETS	526.0	459.7	608.6
EQUITY AND LIABILITIES			
Share capital	20.0	20.0	20.0
Fund for internal development expenses	40.5	35.9	40.5
Statutory reserve	2.6	2.6	2.6
Non-restricted equity including net income for the period	283.4	243.1	299.1
Total equity	347.9	301.6	362.2
Provisions	2.9	1.2	1.7
Long-term liabilities			
Liabilities to credit institutions	8.4	11.0	10.4
Total long-term liabilities	8.4	11.0	10.4
Short-term liabilities			
Short-term interest-bearing liabilities	2.6	2.6	2.6
Short-term non-interest-bearing liabilities	164.2	143.3	231.7
Total short-term liabilities	166.8	145.9	234.3
TOTAL EQUITY AND LIABILITIES	526.0	459.7	608.6

SALES AND EBIT BY BUSINESS AREA

Business area information	GARO Electrification		GARO E-mobility		Elimination		Group	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Income								
Total income	300.5	263.5	140.7	146.7	-124.3	-116.3	317.0	293.9
Total internal income	-75.6	-60.8	-48.7	-55.5	124.3	116.3	0	0
Income from contracts with customers	224.9	202.7	92.1	91.2	0	0	317.0	293.9
EBIT	37.0	28.4	0.4	20.1			37.4	48.5
Net financial income/expenses							-2.9	0.5
Tax expense for the year							-7.9	-9.6
Net income for the year							26.6	39.4

REVENUE PER GEOGRAPHIC LOCATION (JUL-SEP)

Product area	GARO Electrification			GARO E-mobility			Total		
	Jul-Sep 2022	Jul-Sep 2021	growth, %	Jul-Sep 2022	Jul-Sep 2021	growth, %	Jul-Sep 2022	Jul-Sep 2021	growth, %
Sweden	137.2	121.7	13%	58.3	68.1	-14%	195.5	189.8	3%
Nordic region excl. Sweden	36.3	35.1	3%	13.6	14.9	-9%	49.9	50.0	0%
Europe excl. Nordic region	50.2	45.2	12%	18.8	7.4	153%	69.0	52.6	32%
Currency effects	1.2	0.7		1.4	0.8		2.6	1.5	
Total	224.9	202.7	11%	92.1	91.2	1%	317.0	293.9	8%

REVENUE PER GEOGRAPHIC LOCATION (JAN-SEP)

Product area	GARO Electrification			GARO E-mobility			Total		
	Jan-Sep 2020	Jan-Sep 2021	growth, %	Jan-Sep 2022	Jan-Sep 2021	growth, %	Jan-Sep 2022	Jan-Sep 2021	growth, %
Sweden	449.0	397.5	13%	194.3	205.0	-5%	643.3	602.5	7%
Nordic region excl. Sweden	106.7	109.8	-3%	42.0	44.9	-6%	148.7	154.7	-4%
Europe excl. Nordic region	149.6	114.7	31%	104.2	52.8	98%	253.8	167.5	52%
Currency effects	1.9	0.3		1.0	0.7		2.9	1.0	
Total	707.2	622.3	14%	341.5	303.2	13%	1,048.7	925.7	13%

GARO GROUP MULTI-YEAR OVERVIEW AND KEY FIGURES*

		Jul-Sep 2022	Jul-Sep 2022	Jan-Sep 2022	Jan-Sep 2022	R12	2021	2020	2019	2018	2017
Net sales	MSEK	317.0	293.9	1,048.7	925.7	1,418.8	1,295.8	1,039.8	1,008.1	903.7	796.0
Growth	%	8	19	13	26	15	25	3	12	13	21
EBITDA	MSEK	45.6	57.2	169.1	174.9	237.1	243.0	163.2	134.9	128.8	110.3
EBITDA margin	%	14.4	19.5	16.1	18.9	16.7	18.8	15.7	13.4	14.3	13.9
EBIT	MSEK	37.4	48.5	143.8	149.5	201.5	207.2	136.2	112.6	113.8	98.1
EBIT margin	%	11.8	16.5	13.7	16.2	14.2	16.0	13.1	11.2	12.6	12.3
Earnings per share, before and after dilution	SEK	0.53	0.79	2.27	2.41	3.20	3.33	1.91	1.71	1.65	1.71
Equity per share	SEK	12.03	10.07	12.03	10.07	12.03	11.03	8.61	6.86	5.92	5.05
Dividend per share	SEK	n/a	n/a	n/a	n/a	n/a	1.40	0.95	0	0.80	0.80
Dividend	MSEK	n/a	n/a	n/a	n/a	n/a	70.0	47.5	0	40.0	40.0
Closing rate, share	SEK	98.15	186.80	98.15	186.80	98.15	216.0	127.0	61.4	34.7	7.0
Return on equity	%	28.9	34.2	28.9	34.2	28.9	34.0	24.7	26.8	31.2	38.3
Return on capital employed,	%	32.5	38.6	32.5	38.6	32.5	39.2	32.2	30.4	34.7	36.5
Investments	MSEK	21.3	10.6	54.5	33.9	65.9	45.3	45.3	33.4	22.7	51.4
Depreciation	MSEK	8.2	8.7	25.2	25.4	35.6	35.8	26.9	22.3	15.0	12.2
Equity ratio	%	61.4	60.4	61.4	60.4	61.4	58.9	57.9	52.2	52.4	47.3
Net debt	MSEK	44.6	28.0	44.6	28.0	44.6	-9.4	11.3	45.6	45.7	56.1
Net debt/EBITDA	multiple	0.2	0.1	0.2	0.1	0.2	0.0	0.1	0.3	0.4	0.5
Number of employees		520	467	520	467	515	498	412	421	402	376

*For definitions of key figures, see page 18

QUARTERLY FIGURES

Consolidated income statement	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Amount in MSEK	2022	2022	2022	2021	2021	2021	2021	2020	2020	2020	2020	2019
Net sales	317.0	350.2	381.6	370.1	293.9	341.2	290.6	306.3	247.0	238.3	248.3	277.8
Operating expenses	-279.6	-310.6	-314.7	-312.4	-245.4	-286.1	-244.7	-256.8	-209.5	-208.0	-229.5	-242.0
EBIT	37.4	39.6	66.8	57.7	48.5	55.1	45.9	49.5	37.5	30.3	18.8	35.9
Net financial income/expenses	-2.9	1.8	-0.1	1.4	0.5	-2.1	1.3	-4.6	-1.3	-6.8	-0.5	-2.5
Profit before tax	34.5	41.4	66.7	59.1	49.0	53.0	47.2	45.0	36.3	23.6	18.3	33.3
Tax	-7.9	-8.1	-13.0	-12.7	-9.6	-10.5	-8.9	-10.5	-7.9	-5.5	-3.8	-8.7
Net income	26.6	33.3	53.7	46.4	39.4	42.6	38.3	34.4	28.3	18.1	14.6	24.6
Net sales per business area	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Amount in MSEK	2022	2022	2022	2021	2021	2021	2021	2020	2020	2020	2020	2019
GARO E-mobility	92.1	103.3	146.4	134.4	91.2	118.4	93.8	100.2	68.9	64.8	58.6	70.7
GARO Electrification	224.9	246.9	235.2	235.7	202.7	222.8	196.8	206.1	178.1	173.5	189.7	207.1
Total Group	317.0	350.2	381.6	370.1	293.9	341.2	290.6	306.3	247.0	238.3	248.3	277.8
EBIT per business area	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Amount in MSEK	2022	2022	2022	2021	2021	2021	2021	2020	2020	2020	2020	2019
GARO E-mobility	0.4	3.0	30.7	27.9	20.1	20.2	17.6	14.7	9.6	9.7	2.4	8.4
GARO Electrification	37.0	36.6	36.1	29.8	28.4	34.9	28.3	34.8	27.9	20.6	16.4	27.5
Total Group	37.4	39.6	66.8	57.7	48.5	55.1	45.9	49.5	37.5	30.3	18.8	35.9

Key figures, alternative performance measures and definitions

The performance measures in this report take into account the nature of the operations and are deemed to provide relevant information to shareholders and other stakeholders and also enable comparability with other companies.

EBIT: Earnings before interest and tax

EBIT margin, %: EBIT as a percentage of net sales for the period

Earnings per share, before and after dilution, SEK: Net income for the period divided by the average number of shares at the end of the period

Equity per share, SEK: Equity divided by the number of shares at the end of the period

Return on equity, %: Net income for the past 12 months divided by average equity.

Return on capital employed, %: EBIT for the past 12 months divided by capital employed

Equity ratio, %: Equity as a percentage of total assets

Capital employed, SEK: Total assets less short-term liabilities adjusted for cash and bank balances

Net debt: Interest-bearing liabilities, lease liabilities according to IFRS 16 less assets including cash and cash equivalents

Net debt/EBITDA, multiples: Net debt at the end of the period as a percentage of EBITDA for the past 12 months

Alternative performance measures

GARO uses certain performance measures that are not defined in the rules for financial reporting that GARO applies. The goal of these performance measures is to create better understanding of how the operations are performing. It must be stressed that these alternative performance measures, as defined, are not entirely comparable with performance measures of the same name used by other companies.

Organic growth: Organic growth with adjustments for currency effects from operations in currencies other than SEK.

EBITDA: Earnings before interest, taxes, depreciation and amortization

EBITDA margin, %: EBITDA as a percentage of net sales for the period

R12: A summary of the outcome of the past 12 months

Number of employees: The number of employees at the end of the period

Economic information

INVITATION TO PRESENTATION FOR THE PRESS AND ANALYSTS

On November 11, 2022, at 9:30 a.m., the President and CEO Patrik Andersson and CFO Helena Claesson will present the report and respond to questions in a teleconference.

Telephone number:

Sweden: +46 10 884 80 16

International: +44 203 936 2999

Code: **00 14 05**

The presentation used during this teleconference can be downloaded at www.garo.se under GARO Group. A recording of the teleconference will be available on the company's website afterwards.

FOR MORE INFORMATION, PLEASE CONTACT:

Patrik Andersson, President and CEO: +46 76 148 44 44

Helena Claesson, CFO: +46 70 676 07 50

FINANCIAL CALENDAR

Year-end report 2022 February 23, 2023

2023 Annual General Meeting May 11, 2023

FORWARD-LOOKING INFORMATION

Certain statements in this report are forward-looking and the actual outcome may be significantly different. In addition to the specifically mentioned factors, other factors may have a material impact on the actual outcome. Such factors include, but are not limited to, the general economic climate, exchange-rate fluctuations and changes in interest rates, political developments, the impact of competing products and the prices of such products, difficulties associated with product development and commercialization, technical problems, interruptions to the access to raw materials and credit losses attributable to major customers.

Disclosures according to IAS 34.16A are presented in the financial statements and their notes as well as other parts of the interim report.