

Interim report January - March 2025

The Group posted positive operating EBIT for the second consecutive quarter

INTERIM REPORT JANUARY - MARCH 2025

THE GROUP POSTED POSITIVE OPERATING EBIT FOR THE SECOND CONSECUTIVE QUARTER

JAN-MAR 2025

- Net sales amounted to MSEK 264.8 (292.5).
- Net sales declined 9% (-21).
- Operating EBIT amounted to MSEK 0.4 (-6.7).
- The operating EBIT margin amounted to 0.1% (-2.3).
- The quarter was charged with settlement costs of MSEK 2.9 for the outgoing President and CEO.
- Cash flow from operating activities amounted to MSEK 0.5 (-43.8).
- Net income was MSEK 0.3 (-8.1).
- Earnings per share amounted to SEK 0.01 (-0.16).

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- Jonas Klarén took over as the new President and CEO on January 13, 2025.
- After the end of the quarter, GARO strengthened its Group Management and appointed a new COO, CTO and CHRO. The aim is to create a stronger international business focus, and to further increase the pace of operational activities, technological development and long-term culture and competence building within the Group. Refer to the separate press release.

GARO GROUP ¹	Jan-Mar 2025	Jan-Mar 2024	+/- %	R12	Jan-Dec 2024
Net sales, MSEK	264.8	292.5	-9	1,124.3	1,152.0
EBITDA, MSEK	11.1	7.5		4.1	0.6
EBITDA margin, %	4.2	2.6		0.4	0.0
Operating EBIT, MSEK	0.4	-6.7		-0.1	-7.2
Operating EBIT margin, %	0.1	-2.3		0.0	-0.6
Net income, MSEK	0.3	-8.1		-51.9	-60.1
Earnings/loss per share ² , SEK	0.01	-0.16		-1.04	-1.20
Cash flow from operating activities, MSEK	0.5	-43.8		8.6	-35.8
Depreciation, MSEK	13.6	14.2		55.6	56.2
Investments, MSEK	1.9	4.2		17.3	19.6
Equity ratio, %	51.2	51.9		51.2	50.0
Equity per share, SEK	10.95	12.16		10.95	11.11
Return on equity, %	-9.0	0.4		-9.0	-10.3
Return on capital employed, %	-8.0	2.5		-8.0	-8.4
Net debt (+) / net cash position (-), MSEK	286.0	277.9		286.0	285.1
Net debt (+) / net cash position (-) excl. IFRS 16, MSEK	227.1	206.7		227.1	222.4
Number of employees	397	437		423	406

¹⁾ For definitions of key figures, see pages 18-19

CEO JONAS KLARÉN'S COMMENTS ON THE QUARTER

Our team – TEAM GARO – is standing strong in a turbulent time. Our extensive experience in electric technology, our values, and – above all – our employees give us the stability and dynamism required to navigate through change. It is in times like these that we see the real strength in our organization: competence, responsibility and a genuine desire to contribute.

We are building for long-term profitable growth through **customer focus, quality, sustainability and responsibility**. With what we have learned from all the things that have been successful – and those that have not – we are better equipped than ever to meet the demands of the future. It is together, as Team GARO, that we drive development forward.

GARO ELECTRIFICATION

The business area as a whole remains stable despite a challenging business environment. In Sweden, activity levels in the market remain cautious while we are seeing recovery in Norway. In Ireland and the UK, we are seeing a continued positive sales trend and strong profitability performance through an expanded customer offering. In the UK, we implemented key organizational improvements to better manage a market driven by volumes and prices.

GARO E-MOBILITY

The market for charging infrastructure remained challenging early in the year. Despite this, we are seeing results from the action program that was implemented in the autumn – costs have declined and we are working toward creating a positive cash flow in the business area. Sales are driven primarily by our established products, while some new items have not yet had an impact. We are particularly focusing on aftermarket services and ensuring high levels of customer satisfaction throughout the value chain.

OUR BUSINESS ENVIRONMENT

We find ourselves in a time in which the conditions for electrification, energy efficiency and sustainable growth have never been clearer – but at the same time, these developments are moving more slowly than they should. The market should be red-hot, but instead it is cautious. Investments that should be started are being postponed despite the obvious need and the availability of technology.

It is easy to ask why. Perhaps world leaders are occupied with other games – with geopolitics, security and power struggles outweighing long-term

investments in infrastructure. When international politics shake the global economy, the necessary local decisions are sometimes delayed.

For us at GARO, this means we need to be both patient and proactive. We know that electrification is not simply a fad – it is a direction. We know that the need has not disappeared – it is simply waiting for the right conditions. And once they come, things will move quickly. Our task is to be ready, trust in our strategy and continue to strengthen our position. We are not playing a short game – this is a test of endurance, and we know where we are headed.

NEW GROUP MANAGEMENT

After the end of the quarter, we strengthened our Group Management with three new roles: Chief Operating Officer, Chief Technology Officer and Chief Human Resources Officer. These additions are a step in further increasing the pace of our international expansion, our technological development and the long-term culture and competence building. The new managers are now in place, and we look forward to taking GARO to the next phase of development alongside them.

MARKET CONDITIONS

We expect the E-mobility market to remain cautious in the short term. In the long term, we anticipate a strong trend with further expansion of charging infrastructure with the market growing structurally in line with the number of plug-in vehicles.

Housing construction in the Nordic region is expected to recover gradually in 2025. Demand for other commercial and public sector construction, combined with renovation requirements and energy efficiency, remains favorable.

The Riksbank's interest-rate cuts are expected, together with fiscal stimulus, to have a positive impact on housing construction and investment willingness in Sweden. But if it persists, increased macroeconomic uncertainty in the business environment could result in a delay to economic recovery.

All in all, we have a positive view of long-term market conditions, mainly driven by growth in charging infrastructure and its requirements for power supply as well as by the recovery of housing construction.

Jonas Klarén
President and CEO

Earnings

NET SALES

The turbulent and varied market situation in general impacted sales in the first quarter, with net sales decreasing to MSEK 265 (293), a decline of 9% or MSEK 28 compared with the year-earlier quarter. GARO Electrification lost MSEK 4 in sales, and the GARO E-mobility business area posted a decrease in growth of 28%, or MSEK 24. Following a relatively weak start to the year, activity levels were somewhat stronger in the latter part of the quarter.

EBIT

Operating EBIT for the quarter amounted to MSEK 0.4, compared with MSEK -6.7 for the year-earlier quarter. Operating EBIT margin for the quarter amounted to 0.1% (-2.3). The improved earnings for the quarter were attributable to effects from the action program that was implemented in the autumn of 2024, which was later partially offset by low sales volumes. Earnings for the quarter were charged with MSEK 2.9 in settlement costs for the former President and CEO.

Overall, the gross margin remained at the same level as the preceding quarter, with strengthened margins in GARO Electrification offset by a lower gross margin in GARO E-mobility, which was the result of a changed product mix.

EBIT for the quarter amounted to MSEK -2.5 (-6.7), yielding an EBIT margin of -1.0% (-2.3).

FINANCIAL ITEMS

The Group's net financial items amounted to MSEK 2.0 (-0.2) for the quarter and included currency effects from loans and hedging. Net interest income for the quarter amounted to MSEK -3.4 (-3.0).

Net income for the quarter amounted to MSEK 0.3 (-8.1), and earnings per share amounted to MSEK 0.01 (-0.16). Tax assets recognized for the quarter amounted to MSEK 0.9 (tax expense 1.2).

CASH FLOW AND INVESTMENTS

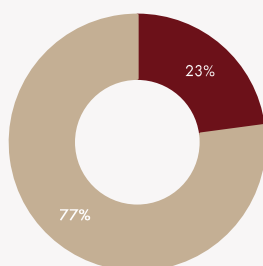
Cash flow from operating activities before change in working capital amounted to MSEK 9.5 (8.4) for the quarter. Cash flow from operating activities after changes in working capital amounted to MSEK 0.5 (-43.8) for the quarter, with cash flow for the quarter attributable to the release of capital from inventory combined with general changes to accounts receivable and accounts payable. Capital tied-up in inventory for the quarter decreased net by MSEK 21.

GARO previously paid a deposit to a supplier for materials ordered but not yet called off. The deposit, which is denominated in EUR, remained unchanged during the quarter and amounted to an equivalent of MSEK 42 at the end of the period.

Investments for the quarter amounted to net MSEK 1.9 (4.2), of which MSEK 0.4 was attributable to product development (4.2). During the quarter, right-of-use assets (leases and rental contracts) declined net by MSEK 3.7 (-1.3).

ALLOCATION OF NET SALES

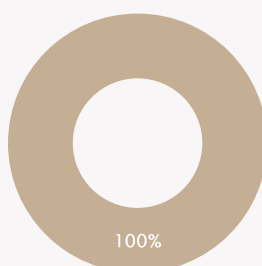
by business area, Jan–Mar 2025



■ GARO E-mobility
■ GARO Electrification

ALLOCATION OF EBIT

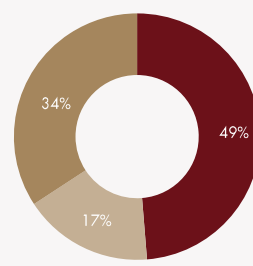
by business area, Jan–Mar 2025



■ GARO E-mobility
■ GARO Electrification

ALLOCATION OF NET SALES

by geographic area, Jan–Mar 2025



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

LIQUIDITY AND FINANCIAL POSITION

The Group's net debt at the end of the period amounted to MSEK 286.0 (277.9). The Group's net debt excluding lease liabilities, which is to say effects of IFRS 16, amounted to MSEK 227.1 (206.7). Net debt was thus similar, compared with the preceding quarter.

Available liquidity in the Group, including unutilized overdraft facilities, amounted to MSEK 75.2 (84.6) and the equity ratio was 51.2% (51.9).

As of November 2024, GARO entered into a new agreement with the bank subject to separate covenants connected to the Group's cash flow over time. As of March 31, 2025, GARO had fulfilled the separate covenants.

BUSINESS AREAS

GARO divides its operations into two business areas:

- GARO Electrification
- GARO E-mobility

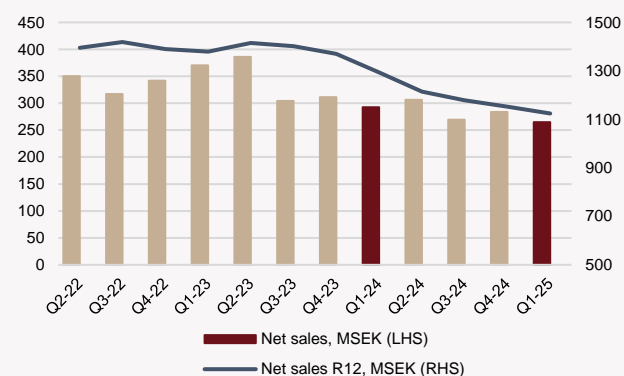
THE GARO SHARE

At the end of the period, the number of shares amounted to 50,000,000 (50,000,000). The average number of shares amounted to 50,000,000 (50,000,000) for the first quarter of 2025. On March 31, 2025, the share price closed at SEK 19.90 (33.50).

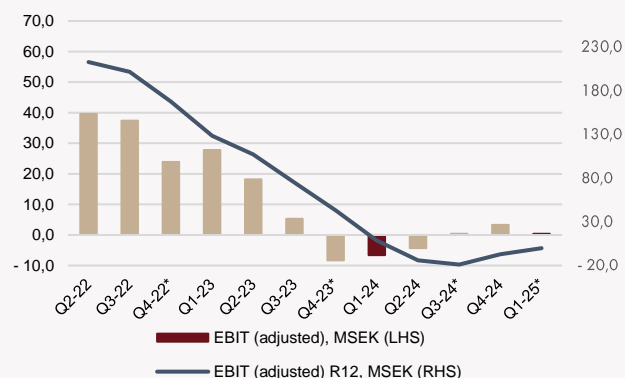
EVENTS AFTER THE END OF THE QUARTER

After the end of the quarter, GARO strengthened its Group Management and appointed a new COO, CTO and CHRO. Apart from this, up until the publication of this report, no other significant events or conditions have occurred, favorable or unfavorable, that would require further disclosures.

NET SALES, GROUP



OPERATING EBIT, GROUP



GARO Electrification business area

GARO ELECTRIFICATION KEY FIGURES		Jan–Mar 2025	Jan–Mar 2024	R12	Jan–Dec 2024
Net sales	MSEK	204.2	208.2	847.3	851.3
Growth	%	-2	-16	-2	-6
Operating EBIT	MSEK	17.3	16.9	84.8	84.4
Operating EBIT margin	%	8.5	8.1	10.0	9.9
Investments	MSEK	1.3	1.4	7.8	7.9
Depreciation	MSEK	6.3	6.6	25.2	25.5
Number of employees		274	270	282	281
Share of sales, Electrical distribution products	%	66	63	65	65
Share of sales, Project business	%	29	32	30	30
Share of sales, Temporary Power	%	5	5	5	5

For definitions of key figures, see pages 18–19

NET SALES AND EARNINGS

Net sales in the business area amounted to MSEK 204.2, which was MSEK 4 less compared with the year-earlier quarter. The overall market for the Electrification business area varied during the quarter. While Sweden experienced a significant downturn due to global uncertainty and market stagnation, other markets managed to exceed expectations. Sales in Sweden for the quarter were 14% lower compared with the year-earlier quarter. In parallel, both the Nordic region and the rest of Europe, excluding Sweden, reported growth of 12% and 16% respectively. Above all, sales in Ireland for the quarter were strong.

Operating EBIT for the quarter amounted to MSEK 17.3 (16.9), yielding an operating EBIT margin of 8.5% (8.1). During the quarter, the business area was charged with MSEK 2.9 in settlement costs for the former President and CEO.

EBIT for the business area for the quarter amounted to MSEK 14.4 (16.9).

OPERATIONS

Compared with the year-earlier quarter, sales for the Electrical distribution products product area increased 3% while sales for the Project business product area declined 1%. The decrease in Project business was evident primarily in Sweden, whereas the other countries reported solid performances in the product area. The operations in Ireland, the UK and Norway continued to trend positively. By broadening the product program, sales have increased and profitability has improved.

A marginal decline in sales was noted in the Temporary Power product area during the quarter.

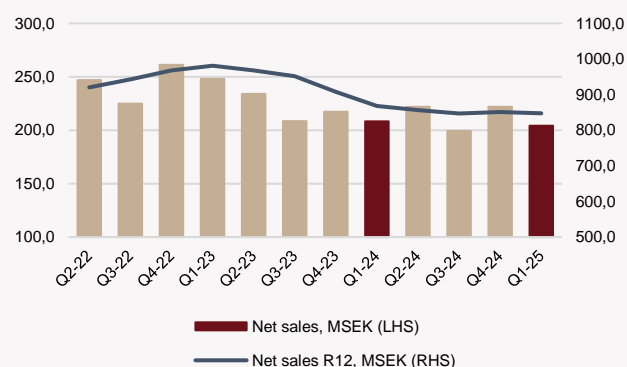
Overall, the assessment is that sales have stabilized and GARO has noted several positive signs in discussions with customers that strengthen the assessment that the market has bottomed out.

THE MARKET

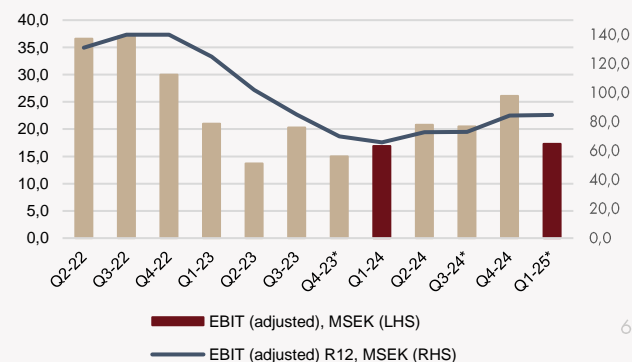
The market for the new construction of single-family homes and apartments in Sweden remained at very low levels in early 2025. Positive signs such as low inflation and falling interest rates are expected to lead to a rise in housing construction across the Nordic region in 2025. This will result in a gradual increase in demand for GARO's products in this business area.

Even though GARO does not export goods to the US, we see risks that the political turbulence in the US – linked to the decisions and rhetoric from the sitting administration – is generating instability in the finance markets. In that case, it could put a damper on demand and willingness to invest in Swedish industry, which in turn could impact GARO. The market connected to the electrification of society and the green transition is deemed to be stable.

NET SALES, GARO ELECTRIFICATION



OPERATING EBIT, GARO ELECTRIFICATION



GARO E-mobility business area

GARO E-MOBILITY KEY FIGURES		Jan–Mar 2025	Jan–Mar 2024	R12	Jan–Dec 2024
Net sales	MSEK	60.6	84.3	277.0	300.7
Growth	%	-28	-31	-35	-35
Operating EBIT	MSEK	-17.0	-23.6	-85.0	-91.6
Operating EBIT margin	%	-28.0	-28.0	-30.7	-30.5
Investments	MSEK	0.6	2.8	9.5	11.7
Depreciation	MSEK	7.3	7.6	30.4	30.7
Number of employees		123	167	141	125

For definitions of key figures, see pages 18–19

NET SALES AND EARNINGS

Net sales in the GARO E-mobility business area amounted to MSEK 60.6, compared with MSEK 84.3 for the same quarter of 2024, which resulted in reduced growth of 28% or MSEK 24.

Operating EBIT for the quarter amounted to MSEK -17.0, compared with MSEK -23.6 for 2024, which yielded an operating EBIT margin of -28%. Operating EBIT for the quarter was attributable in its entirety to low sales levels.

The action program that was implemented in the business area during the autumn has had the desired result – costs have decreased and the operations are working toward a positive cash flow. Profitability in the business area is beginning to recover, though with gradual progress.

EBIT for the business area for the quarter amounted to MSEK -17.0 (-23.6).

OPERATIONS

Overall sales in the field of new technology encompasses products and services in, for example, solar, batteries and E-mobility, and there is a considerable need in the Nordic region and in Europe to transition to this new technology. However, the prevailing macroeconomic situation has led to a considerably slower transition than anticipated. Sales of plug-in vehicles were low in the fourth quarter of 2024, but then increased during the first quarter of 2025. The number of projects for semi-public and public charging remained at low levels, which leads to greater competition for existing projects. The macroeconomic situation is creating uncertainty among investors, which means many projects are being postponed. Through sales activities, support and by providing customers with the assistance that they require, business is generated for GARO, creating healthy solutions for customers.

Demand for public charging is driving sales in the business area. GARO Entity accounted for half of all sales noted in the business area during the quarter. This is an indication that GARO's new platform is beginning to capture a clear position in the market. Furthermore, increased demand for public charging poles was noted in Europe, for both electric cars and heavier vehicles.

Sales in Sweden and the Nordic region for the quarter were MSEK 7 and MSEK 2 lower, respectively, compared to the year-earlier quarter. Sales to GARO's other markets in Europe declined 42%, or MSEK 15, during the quarter. The market in Germany remains cautious, and sales for the quarter were on a par with the previous year.

THE MARKET

E-mobility continues to be challenging but is an important market for GARO's future. Competition is intensifying, but GARO is holding its own through quality, customer focus and innovation.

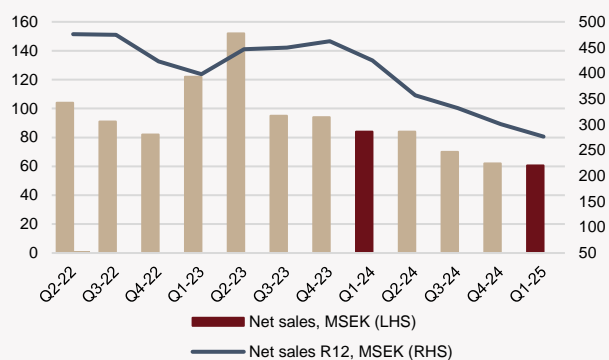
GARO won several good projects in Europe during the quarter – for example, a project for Scotland's Forestry and Land agency. For six months, GARO will deliver a large number of LS4 units, which will be installed in the Scottish highlands for public charging. The choice of GARO's LS4 was due to the fact that this will be public charging out of doors, in weather conditions that in many respects resembles those in the Nordic region. This requires robust chargers with an attractive total cost over time.

Furthermore, GARO won a larger project with LS4 units for the rescue services in Wales. The chargers are for the service's own vehicles as well as staff cars, so robust and reliable chargers are important.

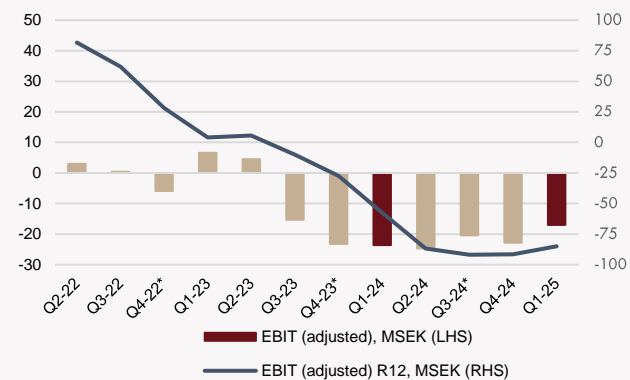
In the German market, our partnership is continuing with TEAG Mobil, a subsidiary of TEAG Thüringer Energie AG, which specializes in the expansion of charging infrastructure for electric mobility. The company operates public and semi-public charging stations, and develops customized charging solutions for residential districts, companies and municipalities. TEAG Mobil is bringing e-mobility directly into city districts with its "Quartierladen" concept, which makes charging simple and available to everyone. In this effort TEAG Mobil relies on GARO LS4 charging stations, which are known for their reliable technology, smart load management and flexible integration. GARO is the ideal partner for implementing sustainable, user-oriented charging infrastructure in residential districts across Thuringia.

To meet market expectations, continual maintenance and the development of future functionalities is required. Moreover, the market for the business area is in a state of constant change with ever increasing regulatory requirements and the need for functionalities, which suits the GARO Entity platform. In the home charging market, which is currently experiencing price pressure, high sales volumes in a broader market are required to achieve economies of scale and improve profitability. This is especially the case for GARO with our product program in large parts directed to the premium segment.

NET SALES, GARO E-MOBILITY



OPERATING EBIT, GARO E-MOBILITY



GARO's financial targets

PARENT COMPANY

The Parent Company's operations comprise sales in the product area Electrical distribution products, product development, Group Management, Group-wide functions and the Group's finance function.

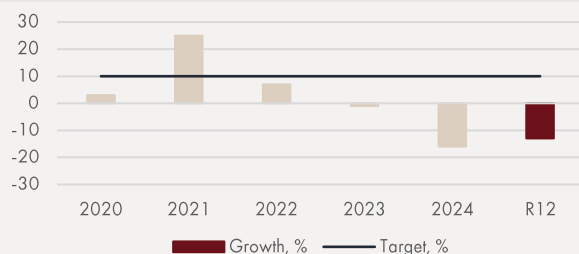
Net sales for the Parent Company in the first quarter amounted to MSEK 87.8 (101.0) of which MSEK 11.3 (13.1) comprised internal sales. EBIT for the quarter amounted to MSEK 3.6 (7.8).

SALES GROWTH

Organic growth will amount to not less than 10% over a business cycle.

TARGET

≥10%

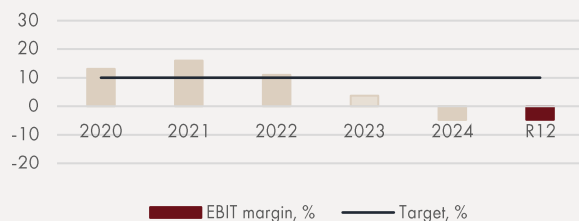


PROFITABILITY

The EBIT margin for the Group will amount to not less than 10% of net sales over a business cycle.

TARGET

≥10%

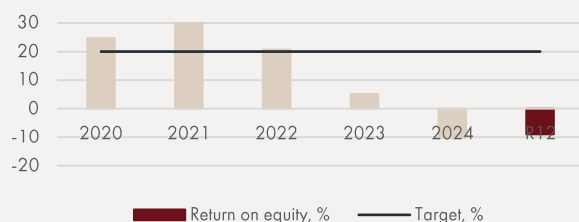


RETURN

Return on equity will amount to not less than 20% over a business cycle.

TARGET

≥20%

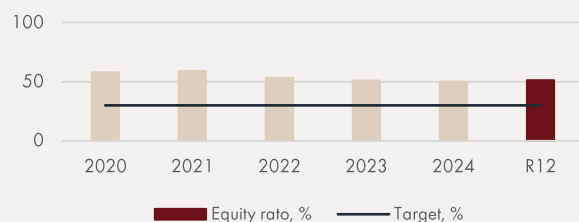


EQUITY RATIO

The equity ratio will not be less than 30%.

TARGET

≥30%



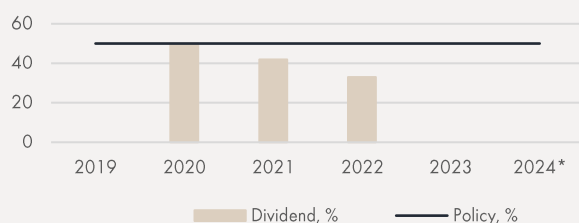
DIVIDEND POLICY

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.

*The Board's dividend proposal

TARGET

≥50%



Overview

NATURE OF OPERATIONS

GARO develops, manufactures and markets innovative products and systems for the electrical installations market under its own brand. Operations are carried out in several countries, with the Group organized in two business areas: GARO Electrification and GARO E-mobility. 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.

SUSTAINABILITY WORK

GARO's sustainability work is based on three cornerstones that are all part of the strategic framework: Climate, Circular economy and Responsible business. The strategy forms the basis for responding to regulatory requirements, market expectations, growth and return for investors, while strengthening GARO's social capital by attracting, encouraging and retaining employees. For more information about GARO's goals for a more sustainable future, refer to GARO's 2024 Annual Report, pages 28–41.

RISKS AND UNCERTAINTIES

As a geographically diversified international Group, GARO is exposed to a number of strategic, business-related and financial risks. Strategic risk in GARO is defined as risks that emerge that have a long-term impact on operations such as changes in technology and the macroeconomic trend. Business risks can be divided into operational, sustainability, compliance as well as legal and commercial risks. Financial risks include currency risk, interest-rate risk, raw material price risk, tax risk, etc. All of these risk areas could negatively impact the business in both the short and the long term, but they can also create business opportunities if they are well managed. Risk management at GARO is based on the operational management groups where material risks for the operations are identified. An assessment is then made of the likelihood that the risks will materialize and their potential impact. Following this, an evaluation is conducted and decisions are made concerning any actions taken to eliminate or mitigate the risks. More detailed information on GARO's risks and uncertainties can be found in Note 3 on pages 60–63 of the 2024 Annual Report. The Annual Report is available at www.garogroup.se.

RELATED-PARTY TRANSACTIONS

Related-party transactions take place in accordance with the principles described in the 2024 Annual Report. There were no related party transactions during the year except for the payment of fees to the Board of Directors, the remuneration of senior executives and transactions with Group companies.

EMPLOYEES

The number of employees in the Group on March 30, 2025 was 397 (437) excluding persons dismissed and exempted from work (406 on December 31, 2024).

ACCOUNTING POLICIES

GARO applies the International Financial Reporting Standards (IFRS) as adopted by the EU, the Swedish Annual Accounts Act (1995:1554) and the recommendations and statements of the Swedish Financial Reporting Board. This year-end 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 1–20, which constitute an integrated part of this financial statement. In addition, disclosures according to IAS 34.16A and IFRS 5 are presented in the financial statements and their notes as well as other parts of the interim report.

GARO has a property for sale and assesses that it is highly probable that the property will be sold within 6–12 months, thereby fulfilling the criteria for reporting in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. The fact that a group of assets and liabilities is classified as held for sale means that their carrying amount will be essentially recovered through a sale transaction and not through use. All assets included in the group are presented on a separate line among assets and all of the group's liabilities are presented on a separate line among liabilities. The group is valued as the lowest of the carrying amount and the fair value less selling expenses.

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.

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

AUDITORS' STATEMENT

This interim report has not been reviewed by the company's auditors.

Gnosjö, May 14, 2025

GARO AB

The Board of Directors

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Jan–Mar 2025	Jan–Mar 2024	R12	Jan–Dec 2024
Amount in MSEK				
Operating income				
Net sales	264.8	292.5	1,124.3	1,152.0
Other operating income	0.8	1.5	0	0.7
Total operating income	265.6	294.0	1,124.3	1,152.7
Capitalized production costs	0.3	0.1	3.3	3.1
Operating expenses				
Raw materials and consumables	-143.0	-161.8	-654.4	-673.6
Other external expenses	-38.5	-46.1	-170.3	-177.8
Personnel expenses	-73.3	-78.7	-293.6	-298.8
Other operating expenses	0.0	0.0	-5.1	-5.1
Depreciation/amortization of tangible and intangible assets	-13.6	-14.2	-55.6	-56.2
EBIT	-2.5	-6.7	-51.4	-55.6
Result from financial items				
Net financial expenses	2.0	-0.2	-9.4	-11.3
Loss before tax	-0.5	-6.9	-60.8	-66.9
Income tax	0.9	-1.2	8.9	6.8
Net income	0.4	-8.1	-51.9	-60.1
Other comprehensive income:				
Items that may be reclassified to the income statement				
Translation differences	-8.5	6.5	-8.9	6.1
Other comprehensive income, net	-8.5	6.5	-8.9	6.1
Total comprehensive income for the period	-8.1	-1.6	-60.8	-54.0
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
Earnings/loss per share, before and after dilution, SEK	0.01	-0.16	-1.04	-1.20

EBIT and EBITDA before and after adjustment of non-recurring costs (operating EBIT).

The quarter was charged with settlement costs of MSEK 2.9 for the outgoing President and CEO. Inventories of the earlier generation of wall boxes as well as development expenditure for an older, outgoing DC range were impaired in the third quarter of 2024.

These items affect the comparability of this year-end report.

Amount in MSEK	Jan-Mar		Jan-Mar		R12		Jan-Dec	
	2025	%	2024	%		%	2024	%
EBIT	-2.5	-1.0	-6.7	-2.3	-51.4	-4.5	-55.6	-4.8
Non-recurring costs	+2.9		0.0		+2.9		0.0	
Impairment of inventories and development expenditure	0		0.0		+48.4		+48.4	
Operating EBIT	0.4	0.1	-6.7	-2.3	-0.1		-7.2	-0.6

Amount in MSEK	Jan-Mar		Jan-Mar		R12		Jan-Dec	
	2025	%	2024	%		%	2024	%
EBITDA	11.1	4.2	7.5	2.6	4.1	0.3	0.6	0
Non-recurring costs	+2.9		0.0		+2.9		0.0	
Impairment of inventories and development expenditure	0		0.0		+48.4		+48.4	
Operating EBITDA	14.0	5.3	7.5	2.6	55.4	4.9	49.0	4.3

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amount in MSEK	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024
ASSETS			
Fixed assets			
Intangible assets	121.4	138.6	126.9
Tangible assets	253.9	289.1	266.7
Financial assets	0.3	2.4	0.3
Other assets	24.1	0	19.9
Total fixed assets	399.7	430.1	413.8
Current assets			
Inventories	345.5	395.4	376.1
Accounts receivable	229.9	258.1	232.2
Other current receivables	73.6	77.3	68.6
Cash and cash equivalents	16.1	11.3	16.5
Total current assets	665.1	742.3	693.4
Assets for sale	4.9	0	4.9
TOTAL ASSETS	1,069.7	1,172.4	1,112.1
EQUITY AND LIABILITIES			
Share capital	20.0	20.0	20.0
Other reserves	11.3	20.3	19.9
Other contributed capital	1.5	1.5	1.5
Other equity including net income for the period	514.5	566.1	514.1
Total equity	547.3	607.9	555.5
Long-term liabilities			
Liabilities to credit institutions	63.1	22.3	68.9
Lease liabilities	42.7	54.4	46.0
Other provisions	6.9	7.0	8.6
Deferred tax liabilities	0	0	0
Total long-term liabilities	112.7	83.8	123.5
Short-term liabilities			
Liabilities to credit institutions	176.7	195.7	166.6
Lease liabilities	16.3	16.8	16.6
Accounts payable	101.2	139.0	127.2
Other short-term liabilities	112.1	129.2	119.3
Total short-term liabilities	406.3	480.6	429.7
Liabilities directly attributable to assets for sale	3.4	0	3.4
TOTAL EQUITY AND LIABILITIES	1,069.7	1,172.4	1,112.1

Changes to the company's structure (divestment of long-term investment)

GARO has a small property in Gnosjö for sale. The property has a carrying amount of MSEK 4.9 with corresponding borrowings of MSEK 3.4. The property is assessed to have a market value corresponding to the carrying amount.

CONDENSED 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, 2024	20.0	13.8	1.5	574.2	609.5
Net loss for the period				-60.1	-60.1
Other comprehensive income for the period		6.1		0	6.1
Closing equity, December 31, 2024	20.0	19.9	1.5	514.1	555.5
Equity at January 1, 2025	20.0	19.9	1.5	514.1	555.5
Net profit for the period				0.4	0.4
Other comprehensive income for the period		-8.6		0	-8.6
Closing equity, March 31, 2025	20.0	11.3	1.5	514.5	547.3

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT

Amount in MSEK	Jan–Mar 2025	Jan–Mar 2024	R12	Jan–Dec 2024
Cash flow from operating activities				
EBIT	-2.5	-6.7	-51.4	-55.6
Depreciation/amortization and impairment	13.6	14.2	55.6	56.2
Interest paid/received, income tax and adjustment for non-cash items	-1.6	0.9	25.6	28.1
Cash flow from operating activities before changes in working capital	9.5	8.4	29.8	28.7
Change in working capital				
Increase(-)/decrease(+) in inventories	20.9	9.8	-1.9	-12.9
Increase(-)/decrease(+) in operating receivables	-2.9	-13.4	30.1	19.5
Increase(+)/decrease(-) in operating liabilities	-27.0	-48.6	-49.5	-71.1
Cash flow from operating activities	0.5	-43.8	8.6	-35.8
Investing activities				
Investments in intangible assets	-0.4	-4.2	-4.9	-8.5
Investments in subsidiaries	0	0	0	0
Investments in tangible assets	-1.5	0	-12.4	-11.1
Disposal of tangible assets	0	0	2.5	2.5
Cash flow from investing activities	-1.9	-4.2	-14.8	-17.1
Financing activities				
Net borrowing/amortization of loans	6.0	12.4	29.1	35.6
Amortization of lease liability	-4.2	-4.2	-17.5	-17.5
Cash flow from financing activities	1.8	8.2	11.6	18.1
Cash flow for the period	0.4	-39.8	5.3	-34.8
Currency effect in cash and cash equivalents	-0.8	1.1	-0.5	1.3
Cash and cash equivalents, start of the period	16.5	50.0	11.3	50.0
Cash and cash equivalents, end of the period	16.1	11.3	16.1	16.5

CONDENSED PARENT COMPANY INCOME STATEMENT

Amount in MSEK	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Operating income			
Net sales	72.8	76.2	323.5
Other operating income	15.0	24.8	84.6
Total income	87.8	101.0	408.1
Operating expenses			
Raw materials and consumables	-45.7	-47.8	-206.8
Other external expenses	-16.9	-23.1	-82.9
Personnel expenses	-20.5	-20.9	-78.8
Depreciation/amortization of tangible and intangible assets	-1.1	-1.5	-5.2
EBIT	3.6	7.8	34.4
Result from financial items			
Profit/loss from participations in Group companies	-0.3	-0.3	1.8
Net interest income and similar items	4.4	6.0	22.6
Net interest expenses and similar items	-4.4	-0.7	-10.3
Profit before tax	3.3	12.8	48.5
Appropriations	0	0	-122.6
Income tax	-0.7	-2.6	17.3
Net income	2.6	10.2	-56.8

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

CONDENSED PARENT COMPANY BALANCE SHEET

	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024
Amount in MSEK			
ASSETS			
Fixed assets			
Intangible assets	2.9	3.3	3.0
Tangible assets	18.3	17.6	18.6
Participations in Group companies	102.2	83.6	102.6
Other financial assets	87.7	161.7	93.9
Total fixed assets	211.1	266.3	218.1
Current assets			
Inventories	25.2	27.6	26.0
Accounts receivable	63.1	67.0	67.9
Other receivables	316.2	340.1	376.0
Cash and bank balances	0	0	0
Total current assets	404.5	434.7	469.9
TOTAL ASSETS	615.6	700.9	688.0
EQUITY AND LIABILITIES			
Share capital	20.0	20.0	20.0
Fund for internal development expenses	2.2	29.5	2.2
Statutory reserve	2.6	2.6	2.6
Non-restricted equity including net income for the period	289.0	326.1	286.5
Total equity	313.8	378.2	311.3
Provisions	1.1	1.2	1.1
Long-term liabilities			
Liabilities to credit institutions	12.8	18.8	14.5
Total long-term liabilities	12.8	18.8	14.5
Short-term liabilities			
Short-term interest-bearing liabilities	171.6	132.3	162.7
Short-term non-interest-bearing liabilities	116.3	170.3	198.4
Total short-term liabilities	287.9	302.7	361.1
TOTAL EQUITY AND LIABILITIES	615.6	700.9	688.0

SALES AND EBIT BY BUSINESS AREA

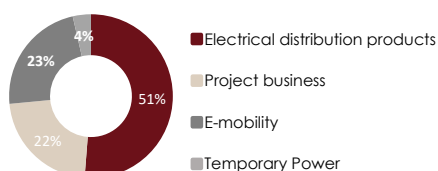
	GARO Electrification		GARO E-mobility		Elimination		Group	
Business area information	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Income								
Total external income	255.5	262.7	112.3	136.6	-103.1	-106.4	264.8	292.5
Total internal income	-51.3	-54.5	-51.7	-51.9	103.1	106.4	0	0
Income from contracts with customers	204.2	208.2	60.6	84.3	0	0	264.8	292.5
EBIT	14.5	16.9	-17.0	-23.6			-2.5	-6.7
Net financial expenses							2.0	-0.2
Income tax							0.8	-1.2
Net income							0.3	-8.1

REVENUE PER CUSTOMER'S GEOGRAPHIC LOCATION (JANUARY–MARCH)

Business Area	GARO Electrification			GARO E-mobility			Total		
	Jan–Mar 2025	Jan–Mar 2024	growth, %	Jan–Mar 2025	Jan–Mar 2024	growth, %	Jan–Mar 2025	Jan–Mar 2024	growth, %
Sweden	107.2	123.9	-14	21.9	28.6	-23	129.1	152.5	-15
Nordic region excl. Sweden	27.5	24.5	12	17.9	19.8	-10	45.4	44.3	2
Europe excl. Nordic region	69.5	59.8	16	20.8	35.9	-42	90.3	95.7	-6
Total	204.2	208.2	-2	60.6	84.3	-28	264.8	292.5	-9

ALLOCATION OF NET SALES PER PRODUCT AREA

January–March 2025



Allocation of net sales by product area (Jan–Mar)

	Jan–Mar 2025	Jan–Mar 2024	growth, %
Electrical distribution products	135.7	131.2	3
Project business	58.9	66.1	-11
Temporary Power	9.5	10.8	-12
E-mobility	60.6	84.3	-28
Total	264.8	292.5	-9

QUARTERLY FIGURES

	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
External sales per business area												
GARO E-mobility	60.6	62.0	70.0	84.4	84.3	93.9	94.6	152.1	122.2	80.6	92.1	103.3
GARO Electrification	204.2	221.8	199.4	221.9	208.2	217.3	209.6	233.9	248.1	261.2	224.9	246.9
Total Group	264.8	283.8	269.4	306.3	292.5	311.2	304.2	386.0	370.3	341.8	317.0	350.2
EBIT per business area												
GARO E-mobility	-17.0	-22.8	-59.4	-24.7	-23.6	-33.0	-15.3	4.5	6.6	-20.9	0.4	3.0
GARO Electrification	14.5	26.1	11.4	20.4	16.9	32.9	20.6	13.7	21.2	29.8	37.0	36.6
Total Group	-2.5	3.3	-48.0	-4.3	-6.7	-0.1	5.3	18.2	27.8	8.9	37.4	39.6

GARO GROUP MULTI-YEAR OVERVIEW*

		Jan–Mar 2025	Jan–Mar 2024	R12	2024	2023	2022	2021	2020	2019
Net sales	MSEK	264.8	292.5	1,124.3	1,152.0	1,369.9	1,390.5	1,295.8	1,039.8	1,008.1
Growth	%	-9	-21	-13	-16	-1	7	25	3	12
EBITDA	MSEK	11.1	7.5	4.1	0.6	99.6	188.8	243.0	163.2	134.9
EBITDA margin	%	4.2	2.6	0.4	0.0	7.3	13.6	18.8	15.7	13.4
EBIT	MSEK	-2.5	-6.7	-51.4	-55.6	51.1	152.8	207.2	136.2	112.6
EBIT margin	%	-1.0	-2.3	-4.6	-4.8	3.7	11.0	16.0	13.1	11.2
Earnings per share, before and after dilution	SEK	0.01	-0.16	-1.04	-1.20	0.63	2.41	3.33	1.91	1.71
Equity per share	SEK	10.95	12.16	10.95	11.11	12.19	12.28	11.03	8.61	6.86
Dividend per share	SEK	n/a	n/a	n/a	n/a	0	0.80	1.40	0.95	0
Dividend	MSEK	n/a	n/a	n/a	n/a	0	40.0	70.0	47.5	0
Closing rate, share	SEK	19.90	33.50	n/a	23.10	43.52	108.6	216.0	127.0	61.4
Return on equity	%	-9.0	0.4	-9.0	-10.3	5.1	20.7	34.0	24.7	26.8
Return on capital employed,	%	-8.0	2.5	-8.0	-8.4	7.9	22.1	39.2	32.2	30.4
Investments	MSEK	1.9	4.2	17.3	19.6	108.2	120.1	45.3	45.3	33.4
Depreciation	MSEK	13.6	14.2	55.6	56.2	48.6	36.0	35.8	26.9	22.3
Equity ratio	%	51.2	51.9	51.2	50.0	50.9	53.2	58.9	57.9	52.2
Net debt	MSEK	286.0	277.9	286.0	285.1	222.1	143.7	-9.4	11.3	45.6
Net debt/EBITDA	multiple	70.2	484.6	70.2	497.1	2.2	0.8	0.0	0.1	0.3
Number of employees		397	437	419	406	478	521	498	412	421

*For definitions, see pages 18–19

Key figures 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

Operating EBIT, Earnings before interest and tax adjusted for non-recurring items

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

Operating expenses: The total of selling expenses, administrative costs, other operating income, other operating expenses, excluding amortization and impairment of acquired intangible assets

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

Number of employees: The number of employees in the Group including contracted staff but excluding persons dismissed and exempted from work.

Alternative performance measures

GARO uses certain financial measures – alternative performance measures – that are not defined in the rules for financial reporting that GARO applies. The goal of these performance measures is to create a better understanding of how the operations are performing. Investors should view these financial measures as a supplement rather than a replacement of

financial reporting in accordance with IFRS. 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. GARO uses the following alternative performance measures:

Organic growth: Organic growth with adjustments for currency effects from operations in currencies other than SEK. This performance measure is expressed as a percentage of the preceding period's net sales.

CHANGE IN NET SALES	Jan–Mar 2025 (MSEK)	Jan–Mar 2025 (%)
Preceding quarter/year	292.5	
Organic sales/growth	-20.6	-7
Currency effects	-7.1	-2
Net sales from acquisitions	0	
Recognized growth	-27.7	-9

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

Number of employees: The number of employees at the end of the period excluding persons dismissed and exempted from work

EBITDA: A measure of EBIT before interest, taxes, depreciation, and amortization

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

Amount in MSEK	Jan–Mar 2025	Jan–Mar 2024
Recognized EBIT	-2.5	-6.7
Reversal of depreciation/amortization	13.6	14.2
EBITDA	11.1	7.5

Net debt: Net debt is defined by how large financial borrowings are in the company in absolute terms less cash and cash equivalents. The performance measure is defined as interest-bearing liabilities, lease liabilities in accordance with IFRS 16, less interest-bearing assets including cash and cash equivalents.

Amount in MSEK	Jan–Mar 2025	Jan–Mar 2024
Non-current interest-bearing liabilities	66.5	22.3
Short-term interest-bearing liabilities	176.7	195.7
Lease liability as defined under IFRS 16	58.9	71.2
Less cash and cash equivalents	-16.1	-11.3
Net debt	286.0	277.9
Net debt in relation to total assets (%)	26.7	23.7

Net debt excluding IFRS 16: Interest-bearing liabilities excluding lease liabilities in accordance with IFRS 16, less interest-bearing assets including cash and cash equivalents

Amount in MSEK	Jan-Mar 2025	Jan-Mar 2024
Non-current interest-bearing liabilities	66.5	22.3
Short-term interest-bearing liabilities	176.7	195.7
Lease liability as defined under IFRS 16	58.9	71.2
Less cash and cash equivalents	-16.1	-11.3
Reversal of Lease liability as defined under IFRS 16	-58.9	-71.2
Net debt excluding IFRS 16	227.1	206.7

Working capital: GARO's working capital comprises a major part of the balance sheet's value. In order to optimize the Group's cash generation, management focuses on the development of working capital, for which the performance measure is defined as the total of current assets less cash and cash equivalents less short-term non-interest-bearing liabilities, all calculated at the end of the period.

Amount in MSEK	Jan-Mar 2025	Jan-Mar 2024
Current assets	665.1	742.3
Less cash and cash equivalents	-16.1	-11.3
Less short-term non-interest-bearing liabilities	-213.3	-268.2
Working capital on balance-sheet date	435.7	462.8
Working capital in relation to sales (R12), %	38.7	35.8

Return on capital employed: This performance measure is defined as EBIT for the past 12 months divided by capital employed, all calculated at the end of the period.

Amount in MSEK	Jan-Mar 2025	Jan-Mar 2024
EBIT for the past 12 months	-51.5	16.7
Capital employed at the end of the period	646.1	679.0
Return on capital employed, %	-8.0	2.5

Return on equity: This performance measurement is defined as net income for the past 12 months divided by average equity, all calculated at the end of the period.

Amount in MSEK	Jan-Mar 2025	Jan-Mar 2024
Net income for the past 12 months	-52.0	2.6
Equity at the beginning of the period	608.2	609.5
Equity at the end of the period	547.3	607.9
Average equity	557.8	608.7
Return on equity, %	-9.0	0.4

Economic information

INVITATION TO PRESENTATION FOR THE PRESS AND ANALYSTS

On May 14, 2025 at 3:00 p.m., President and CEO Jonas Klarén and CFO Helena Claesson will present the report and respond to questions in a teleconference.

Telephone numbers:

Sweden: +46 (0)20 089 0141
International: +44 (0)207 107 0613

The presentation used during this teleconference can be downloaded at www.garogroup.se, under Investor Relations. A recording of the teleconference will be available on the company's website afterwards.

FOR MORE INFORMATION, PLEASE CONTACT:

Jonas Klarén, President and CEO: +46 70 765 90 34
Helena Claesson, CFO: +46 70 676 07 50

FINANCIAL CALENDAR

Second quarter of 2025	August 22, 2025
Third quarter of 2025	November 14, 2025

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.

GARO IN BRIEF

GARO develops and manufactures innovative products and solutions within electricity and E-mobility. GARO targets both professionals and end users. GARO's brand is your guarantee for electrical safety, user-friendliness and sustainability. GARO was founded in 1939 in Gnosjö, in Småland, in southern Sweden where a distinct entrepreneurial spirit originates from and where GARO's head office remains. There is not much else that is similar from that time. Today, GARO is an international Group with operations in several countries. The foundation of GARO's work is all of the knowledge and experience that the Group has collected since 1939 until today.

This information is such information that GARO AB is obligated to publish in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was published by the abovementioned contact persons on May 14, 2025, at 2:00 p.m.