

GARO to discontinue GARO Entity product family and intensify focus on Electrification

Following a strategic review of its E-mobility business area, GARO has decided to phase out sales of the GARO Entity vehicle charger. This decision is part of GARO's efforts to promote profitable operations.

The performance and profitability of the GARO E-Mobility business area in recent years have not been sustainable. Continuing to operate a proprietary platform requires significant investment in order to maintain market position and competitiveness, and therefore, a decision has been made to discontinue the GARO Entity product family. GARO will continue to offer certain profitable vehicle charging products under a broader portfolio within Electrification.

"This necessary decision involved many considerations regarding both customers and employees. We have been working to develop the GARO Entity offering for a long time. However, the situation has changed and we need to allocate our resources to areas that present the Group with the best long-term opportunities to be competitive and profitable. The future of GARO is Electrification," says Tobias Byfeldt, President and CEO of GARO.

Commitments honored in line with agreements

GARO Entity will be gradually phased out over a period of six to nine months. GARO will continue to support existing customers by providing service, spare parts and technical support in accordance with agreements, guarantees and other commitments.

More information about the long-term service and support arrangements will be communicated directly to the relevant customers.

Operations

As a result of this decision, notice of termination of employment will be given to all employees of the Swedish company GARO E-Mobility AB. Employees at foreign subsidiaries will also be affected. Meanwhile, there is an increased need for resources in Gnosjö and Hillerstorp since current production in Poland is being relocated to Sweden, which means that more jobs are being created in the Swedish operations.

"Changes like these are never easy, but at this time it is essential that we have the right organization in place to build a profitable Group going forward. Many employees have long been deeply committed to developing GARO Entity, and we want to leverage that expertise as far as possible," Tobias Byfeldt continues.

Financial impact of discontinuation

Development expenditure for GARO Entity has been previously capitalized on the balance sheet as an intangible asset. As a result of the decision, these capitalized expenses will be written down. The total impairment requirement, including inventory and other assets related to GARO Entity, is estimated at approximately MSEK 150 and will be charged to the Group's operating EBIT as a non-recurring item during the phase out period. The impairment will not affect cash flow. GARO Entity has a yearly turnover of approximately MSEK 100.

PRESS RELEASE

October 1, 2026, 8:30 a.m. CEST



The assessment is that the decisions described above, an intensified focus on GARO Electrification and the previously announced cost savings will create the conditions for profitability in line with GARO's medium-term financial targets.

For more information, please contact:

Helena Claesson, CFO: +46 (0)70 676 07 50

Tobias Byfeldt, CEO: +46 (0) 70 161 17 00

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 October 1, 2026 at 8.30 a.m. CEST.

About GARO

GARO AB (publ) Corp. Reg. No. 556071–7772 is a company that develops, manufactures and markets innovative products and systems for the electrical installations market under its own brand. GARO's customer offering is to provide complete solutions in the product areas of Electrical distribution products, E-mobility, Project business & Temporary Power with a focus on electrical safety, user-friendliness and sustainability. GARO was founded in 1939, has its head office in Gnosjö and is today an international company with operations in several countries. GARO is listed on Nasdaq Stockholm under the ticker name GARO. For more information, see www.garogroup.se.