

FEBRUARY 2024

STRENGTHENING TODAY, SHAPING TOMORROW

Garrett
ADVANCING MOTION

Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements including without limitation our statements regarding inflationary pressure on Garrett's business and management's inflation mitigation strategies, financial results and financial conditions, industry trends and anticipated demand for our products, Garrett's strategy, anticipated supply constraints, anticipated developments in emissions standards, trends including with respect to production volatility and volume, Garrett's capital structure, new product development and capital deployment plans for the future including expected R&D expenditures, anticipated impacts of partnerships with third parties, and Garrett's outlook for 2024. Although we believe forward-looking statements are based upon reasonable assumptions, such statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results or performance of Garrett to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such risks and uncertainties include but are not limited to those described in our annual report on Form 10-K for the year ended December 31, 2023, as well as our other filings with the Securities and Exchange Commission, under the headings “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.” You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements.

Non-GAAP Financial Measures

This presentation includes the following Non-GAAP financial measures which are not calculated in accordance with generally accepted accounting principles in the United States (“GAAP”): constant currency sales growth, EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, and Adjusted free cash flow. The Non-GAAP financial measures provided herein are adjusted for certain items as presented in the Appendix containing Non-GAAP Reconciliations and may not be directly comparable to similar measures used by other companies in our industry, as other companies may define such measures differently. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and analysis of ongoing operating trends. Garrett believes that the Non-GAAP measures presented herein are important indicators of operating performance because they exclude the effects of certain items, therefore making them more closely reflect our operational performance. These metrics should be considered in addition to, and not as replacements for, the most comparable GAAP measure. For additional information with respect to our Non-GAAP financial measures, see the Appendix to this presentation and our annual report on Form 10-K for the year ended December 31, 2023.

Today's Presenters



Sean Deason

**SVP & Chief
Financial Officer**

23 Years Industry Experience

*4 Years at
Garrett*



Pierre Barthelet

**SVP Strategy &
Advanced Technologies**

25 Years Industry Experience

*22 Years at
Garrett / Honeywell*

Garrett: Global Leader and Innovation Powerhouse

Key Statistics

Global #1

Turbo Player

>50%

Win Rate of New Business¹

\$3.9B

2023 Revenue

~\$2B

Market Capitalization

~9,700²

Employees

~1,300

Engineers

\$100M+

Annual Investment in Electrification

~1,300

Patents Issued or Pending

5

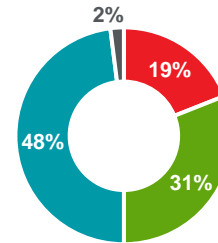
R&D Centers

13

State-of-the-art Manufacturing Facilities

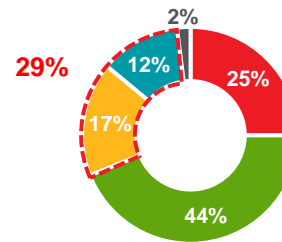
2023 Revenue Breakdown

By Geography



■ North America ■ Europe
■ Asia ■ Other

By Product Line



■ Diesel ■ Aftermarket
■ Gas ■ Commercial Vehicle
■ Other

Technologies Offering

Commercial Vehicle & Industrial



Large Free-Float



Double Axle VNT



Wastegate

Light Vehicle Diesel, Gas & Hybrid



Wastegate



Variable Nozzle Turbine (VNT)



Two Stage



E-Turbo



E-Compressor

Emission Reduction

Zero Emission



Fuel Cell Compressor



E-Powertrain



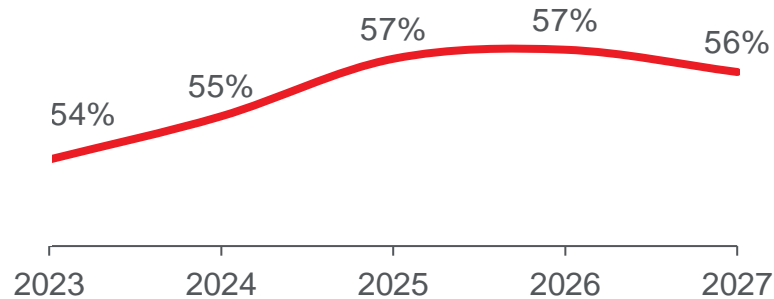
E-Cooling Compressor

¹ Reflects Garrett win rate on total turbo industry opportunities
² Includes approximately 7,600 permanent employees and 2,100 temporary and contract workers globally as of 12/31/2023

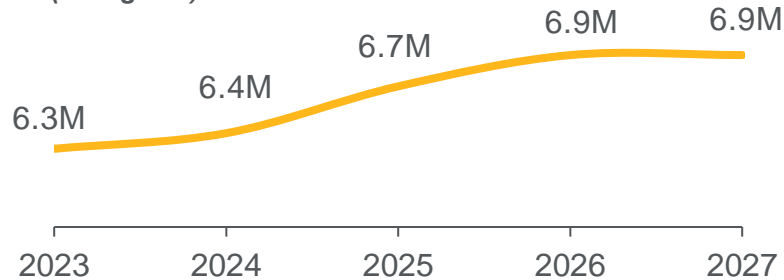
Leader in Turbo, a more resilient industry than ICE

Turbo tech: longer tail than ICE

Light Vehicles turbo penetration on Internal Combustion Engines (%)²



Commercial Vehicles Turbocharged Engines (M engines)²



- **Increasing Turbo tech. content** with tighter emission standards

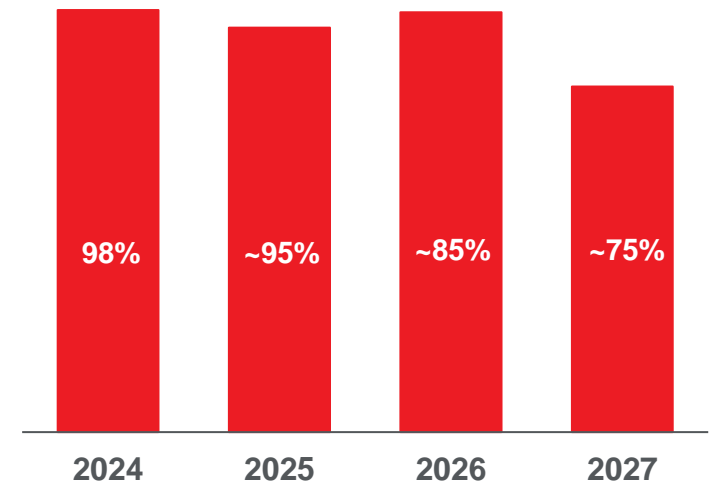
Garrett leadership expansion

- **#1 Turbo** Industry Leader
- **>50% new business win rate** on average since 2018
- **Broadest portfolio** of Turbo technologies for Light Vehicle and Commercial Vehicle
- **Expanding range further** in Industrial with **Large Frame Turbo** for Power Generation and Marine

Long term visibility on booked sales

- **>80%** cumulative OEM sales already secured **4 years** in advance

Projected OEM Sales Already Awarded¹



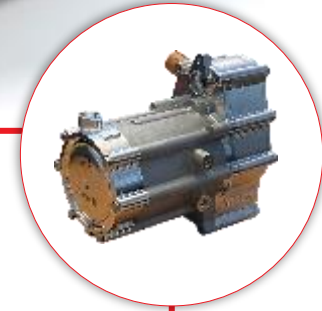
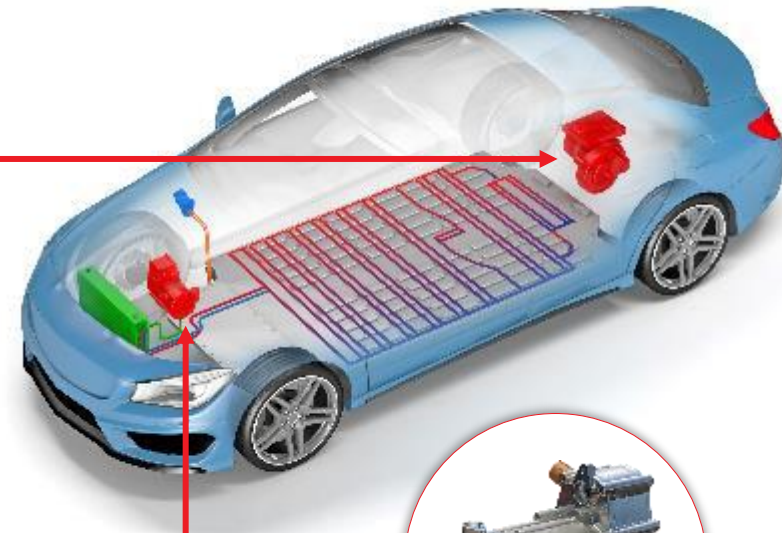
- **29% of total sales** from Commercial Vehicles, Industrial & Aftermarket in 2023, **and growing**

¹ Source: Management estimates and %, \$ billions bar height
² Source: S&P Mobility, December 2023 for LV; KGP December 2023 for CV (including On-highway and Off-highway)

Garrett Technologies for Zero Emission Vehicles

Hydrogen Fuel Cell EV (“FCEV”)

Battery EV (“BEV”)



E-Powertrain for Electric Vehicles
Integrated E-motor, inverter (power electronics) and transmission solution for EV propulsion

Fuel Cell Compressor for Hydrogen Vehicles
Feeds the fuel cell stack with the air needed to generate electricity

E-Cooling Compressor for Electric Vehicles
Crucial component in EV thermal management; circulates refrigerant fluid to cool the battery, E-Powertrain and cabin

Garrett's Robust & Differentiated Zero Emission Pipeline

Garrett Technology Advantage...

Fuel Cell Compressor



- Unique **high-speed motor & controls electronics** technology
- Best in class **aerodynamics**, including turbine expander
- **IP protected** oil-less foil bearing & **high-speed balancing**
- **Broadest portfolio** for fuel cell applications 40-300kW+

E-Powertrain



- Driving major technology step with **high-speed motor enabling 2-3x** industry standard of 15k rev/min
- **40%+ reduced weight & packaging space** benefit
- Proven **system integration** experience

E-Cooling Compressor



- ✓ Build on **broad experience** with **fuel cell compressors**
- ✓ **High-speed motor & controls electronics** technology
- ✓ Best in class **aerodynamics** & IP protected **oil less bearing**
- ✓ **System optimization & controls** key to success

... Delivering High Customer Value

- ✓ **Reducing total cost of ownership**
- ✓ **Increasing vehicle range**
- ✓ **Increasing vehicle/fleet productivity**
- ✓ **Proven durability, 7 years in the field**

- ✓ **Increasing vehicle range & performance**
- ✓ **Freeing up space for better modularity across vehicle platforms**
- ✓ **Enabling installation in constrained applications**

- ✓ **Enabling ultra fast charging & high-speed driving**
- ✓ **Enhancing cabin comfort**
- ✓ **Easing installation (no oil lines)**
- ✓ **Quite operation**

Fuel Cell Compressor (FCC)... Results so far

*First Generation launched in 2016,
on the Honda Clarity*



x2-3

*ASP multiplier vs. Turbo
Light Vehicle/Commercial
Vehicle Waste Gate*



WINNING BUSINESS

**2 new Series Production
Contracts awarded in 2023**



>500

Prototypes Delivered in 2023

15+

Customers Engaged

PORTFOLIO: 4 FC COMPRESSOR FAMILIES

FCC15 for cars & light commercial vehicle

FCC22 for buses & medium-duty trucks

FCC25 for heavy duty trucks

FCC32 for heavy duty trucks, off highway & industrial applications

High Speed E-Powertrain... Results so far



WINNING BUSINESS

3 Pre-development Contracts Won in 2023



15+ Customers Engaged



x5-10

*ASP multiplier vs. Turbo
Light Vehicle/Commercial
Vehicle Waste Gate*

PORTFOLIO: 3 E-POWERTRAIN FAMILIES

130kW for small SUVs, compact sedan

250kW for SUV, Premium, Light Commercial Vehicles

~400kW for High Performance & Pick-up

E-Cooling Compressor... Results so far

 WINNING BUSINESS

7 Pre-development Contracts Won in 2023



20+ Customers Engaged



x1-2

*ASP multiplier vs. Turbo
Light Vehicle/Commercial
Vehicle Waste Gate*

PORTFOLIO: 3 E-COOLING COMPRESSOR FAMILIES

15-25kW for Light Vehicles

25-35kW for Commercial Vehicles

40-60kW for industrial usage

Track Record of Attractive Profitability and Cash Flow Generation **Garrett**

ADVANCING MOTION

Garrett financial framework



High product profitability driven by sustainable technology differentiation



Flexible, low-cost structure insures financial performance through macroeconomic conditions



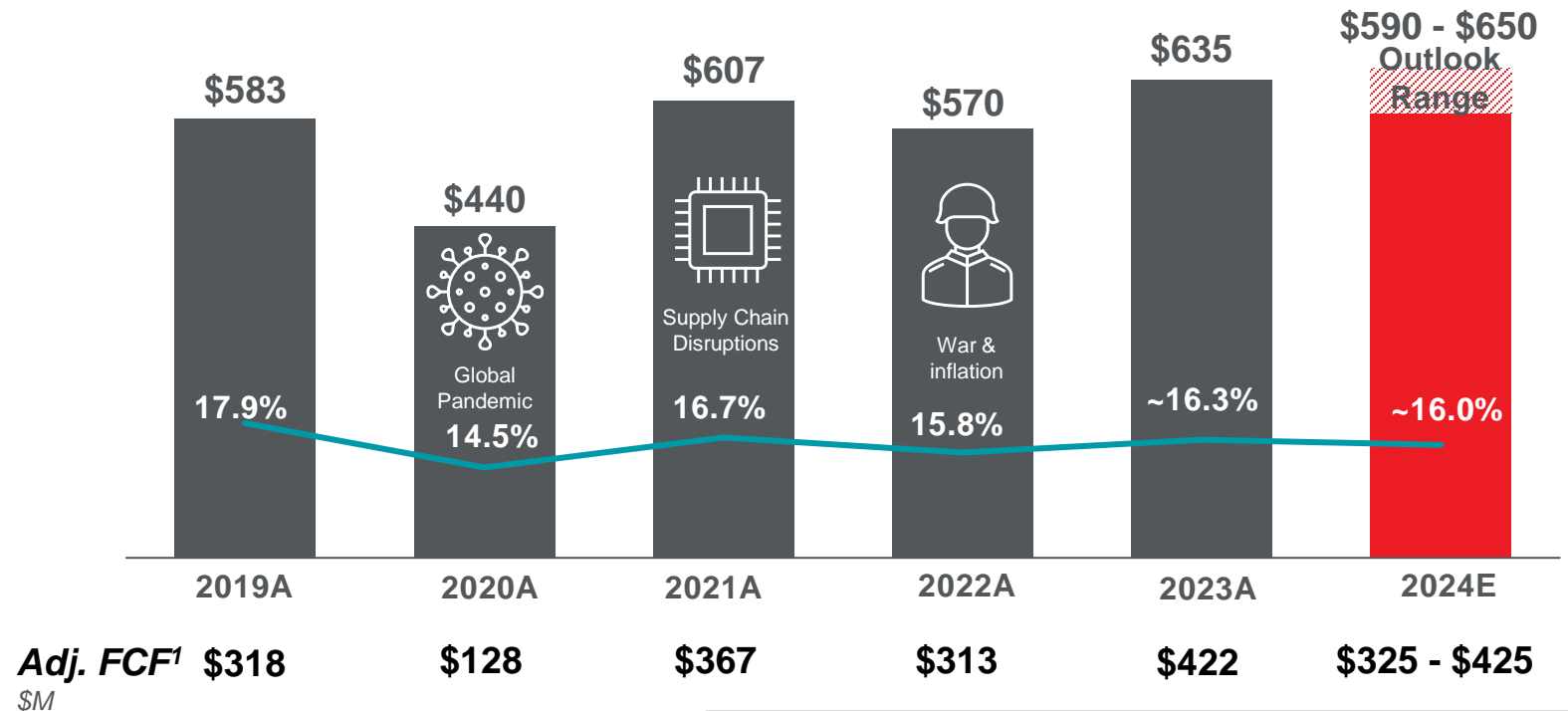
Capital “light” operating model drives low capital intensity and strong cash flow generation



Leading to solid profitability and cash flow resilience across cycles

Adjusted EBITDA¹
\$M

■ Adjusted EBITDA¹ — Adj. EBITDA Margin¹



Margin stability despite Fx and raw material inflation

¹ See Appendix for reconciliations of the Non-GAAP measures

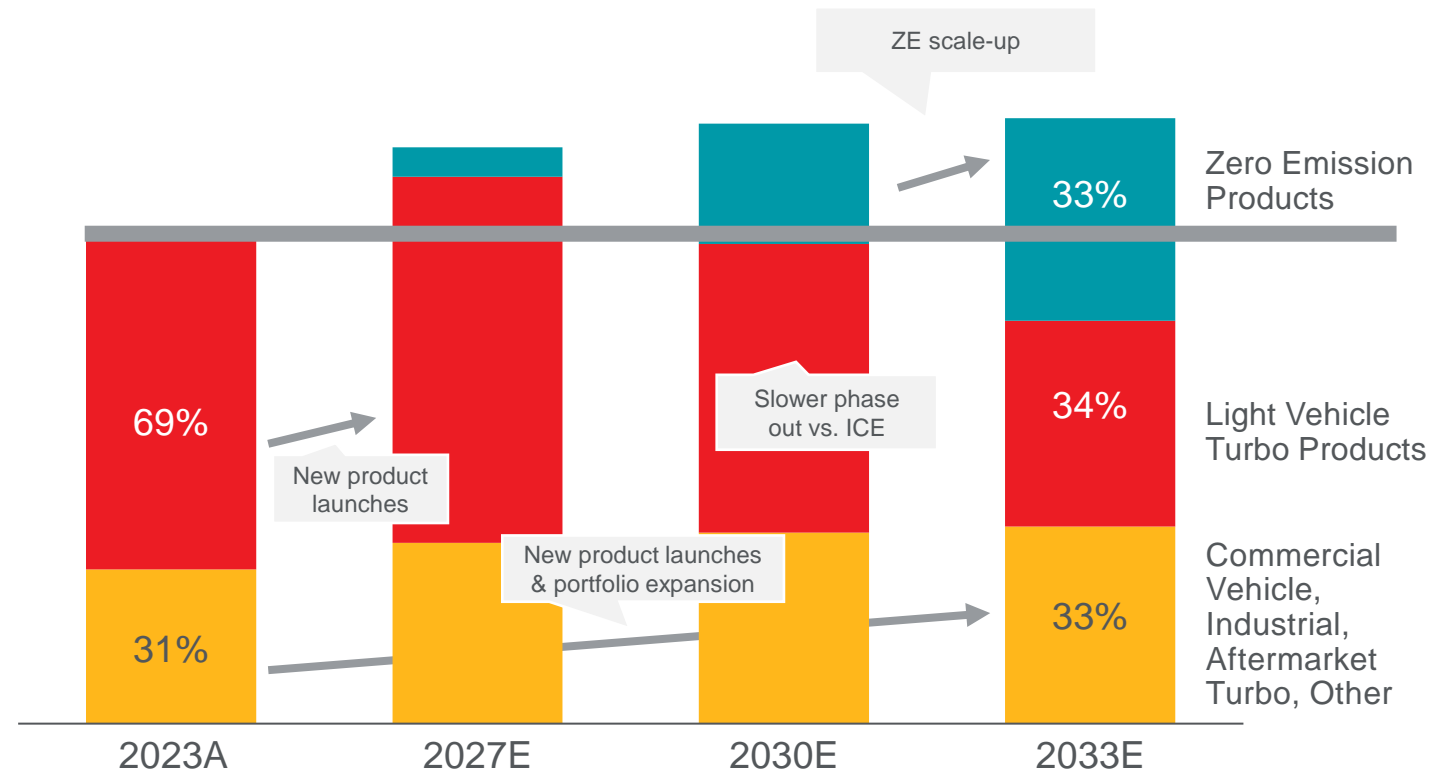
Technology-driven mission provides long term profitable growth

Applying Our Financial Framework...

- > 16%** Adj. EBITDA Margin¹
- < 5%** R&D as % of Net Sales
- < 3%** Capex as % of Net Sales
- > 20x** Working Capital Turns
- 60%** Free Cash Flow Conversion¹
- < 2x** Net Leverage Ratio¹

...While Growing Beyond LV Turbo

Garrett Sales²



¹ See Appendix for reconciliations of the Non-GAAP measures
² Source: Management estimates

Investor Takeaways

Industry Leadership

#1 Turbo player, leader in a technology-driven industry, consolidating and **more resilient than ICE** overall; Still investing in new Turbo technology and expanding to industrial app's

Healthy Cash generation

Resilient & highly profitable business, with proven performance through business cycles; **\$1.7B to 2.1B** adjusted free cash flow¹ for the next 5 years while funding **ZE²** transition

Focused ZE² strategy

Focused R&D investments, on **3 key ZE² product lines**: Fuel Cell Compressor, E-Powertrain, E-Cooling Compressor, targeting a **fast-growing, 30B\$ industry** by 2030

Tech differentiation

New **ZE²** product lines, addressing unmet customer needs; sustaining **high margins** through **difficult to replicate technology**, while providing **optionality beyond mobility**

Talent & Culture

Experienced leaders with proven track record of success; **strong intrapreneurial culture** centred on creating and delivering **breakthrough innovation** at scale

¹ See Appendix for reconciliations of the Non-GAAP measures
² ZE = Zero Emission (including Battery Electric and Fuel Cell Vehicles)

APPENDICES



Income Statement

<i>(\$ in millions)</i>	Q4 2023	Q4 2022	FY 2023	FY 2022
Net sales	\$945	\$898	\$3,886	\$3,603
Cost of goods sold	756	737	3,130	2,920
Gross profit	189	161	756	683
Selling, general and administrative expenses	69	52	247	216
Other expense, net	2	0	5	2
Interest expense	55	11	159	8
Loss on extinguishment of debt	0	0	0	5
Non-operating income	(5)	(38)	(2)	(47)
Reorganization items, net	0	1	0	3
Income before taxes	\$68	\$135	\$347	\$496
Tax expense	16	23	86	106
Net income	\$52	\$112	\$261	\$390
Less: preferred stock dividend	\$0	(\$40)	(\$80)	(\$157)
Less: preferred stock deemed dividend	\$0	\$0	(\$232)	\$0
Net income available for distribution	\$52	\$72	(\$51)	\$233

Balance Sheet Summary

(\$ in millions)

Assets	December 31, 2023	December 31, 2022
Cash and cash equivalents	\$259	\$246
Restricted cash	1	2
Other	1,146	1,183
Total current assets	1,406	1,431
Property, plant and equipment-net	477	470
Deferred income taxes	216	232
Other	428	504
Total assets	\$2,527	\$2,637
Liabilities		
Total current liabilities	1,374	1,375
Long-term debt	1,643	1,148
Other	245	230
Total liabilities	\$3,262	\$2,753
Equity (deficit)		
Common stock, par value	0	0
Additional paid-in capital	1,190	1,333
Retained deficit	(1,922)	(1,485)
Accumulated other comprehensive income (loss)	(3)	36
Total deficit	(735)	(116)
Total liabilities and deficit	\$2,527	\$2,637

Summary of Cash Flows

<i>(\$ in millions)</i>	Q4 2023	Q4 2022	FY 2023	FY 2022
Net income	\$52	\$112	\$261	\$390
Net cash provided by operating activities	135	137	465	375
Net cash used for investing activities	(7)	(13)	(55)	(91)
Net cash used for financing activities	(37)	(46)	(403)	(482)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	6	9	5	(18)
Net decrease in cash, cash equivalents and restricted cash	97	87	12	(216)
Cash, cash equivalents and restricted cash at beginning of the period	163	161	248	464
Cash, cash equivalents and restricted cash at the end of the period	\$260	\$248	\$260	\$248

Reconciliation of Cash Flow from Operations to Adjusted Free Cash Flow

<i>(\$ in millions)</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2022	FY 2023
Net cash provided by operating activities (GAAP)	\$73	\$104	\$61	\$137	\$92	\$164	\$74	\$135	\$375	\$465
Expenditures for property, plant and equipment	(29)	(23)	(26)	(13)	(8)	(25)	(24)	(26)	(91)	(83)
Net cash provided by operating activities less expenditures for property, plant and equipment (Non-GAAP)	\$44	\$81	\$35	\$124	\$84	\$139	\$50	\$109	\$284	\$382
Chapter 11 Professional service costs	2	1	1	1	0	0	0	0	5	0
Capital structure transformation costs	0	0	0	0	1	1	5	1	0	8
Cash payments for repositioning	2	1	1	0	2	2	5	2	4	11
Cash proceeds from cross currency swap	0	0	0	0	0	0	0	19	0	19
Factoring and P-notes	(10)	(60)	83	7	1	(2)	(3)	6	20	2
Adjusted free cash flow (Non-GAAP)	\$38	\$23	\$120	\$132	\$88	\$140	\$57	\$137	\$313	\$422

Reconciliation of Net Income to Adjusted EBITDA and Full Year Consolidated EBITDA¹

(\$ in millions)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2022	FY 2023
Net income - GAAP	\$88	\$85	\$105	\$112	\$81	\$71	\$57	\$52	\$390	\$261
Interest expense, net of interest income	(4)	8	(9)	11	27	24	47	54	6	152
Tax expense	37	20	26	23	27	30	13	16	106	86
Depreciation	22	21	21	20	21	22	23	24	84	90
EBITDA (Non-GAAP)	\$143	\$134	\$143	\$166	\$156	\$147	\$140	\$146	\$586	\$589
Reorganization items, net	1	1	0	1	0	0	0	0	3	0
Stock compensation expense	2	3	3	3	3	5	4	2	11	14
Repositioning costs	1	2	1	0	7	1	6	(1)	4	13
Foreign exchange loss on debt, net of related hedging loss	0	0	0	0	0	0	0	(1)	0	(1)
Loss on extinguishment of debt	0	5	0	0	0	0	0	0	5	0
Discounting costs on factoring	1	0	1	0	1	1	1	1	2	4
Other non-operating income	(2)	(7)	(2)	(30)	(1)	(2)	(1)	(2)	(41)	(6)
Capital structure transformation costs	0	0	0	0	2	18	2	0	0	22
Adjusted EBITDA (Non-GAAP)	\$146	\$138	\$146	\$140	\$168	\$170	\$152	\$145	\$570	\$635
Unrealized Foreign exchange (gain) loss	(1)	(1)	1	(3)	7	(4)	(3)	6	(4)	6
Interest Income	2	3	1	2	1	1	2	1	8	5
Other expenses ²	3	4	6	5	11	6	3	0	18	20
Consolidated EBITDA¹	\$150	\$144	\$154	\$144	\$187	\$173	\$154	\$152	\$592	\$666
Net sales	\$901	\$859	\$945	\$898	\$970	\$1,011	\$960	\$945	\$3,603	\$3,886
Net income margin	9.8%	9.9%	11.1%	12.5%	8.4%	7.0%	5.9%	5.5%	10.8%	6.7%
Adjusted EBITDA margin	16.2%	16.1%	15.4%	15.6%	17.3%	16.8%	15.8%	15.3%	15.8%	16.3%

¹ As defined in our credit agreement

² Relates to qualifying expenses such as costs of public company registration, listing and compliance, facility start-up and transition costs and other non-recurring expenses as defined under our credit agreement.

Reconciliation of Long-Term Debt to Net Debt and Related Ratios

<i>(\$ in millions)</i>	Q4 2022	Q3 2023	Q4 2023
Long-term term debt	\$1,148	\$1,622	\$1,643
Short-term term debt	\$7	\$7	\$7
Deferred finance costs	\$31	\$48	\$46
Gross Debt	\$1,186	\$1,677	\$1,696
Cash and cash equivalents	\$246	\$162	\$259
Net Debt	\$940	\$1,515	\$1,437
Consolidated EBITDA LTM (Non-GAAP)	\$592	\$658	\$666
Gross Debt to Consolidated EBITDA LTM	2.0x	2.5x	2.5x
Net Leverage Ratio¹	1.6x	2.3x	2.2x

¹ Net leverage ratio defined as Net Debt divided by Consolidated EBITDA

Full Year 2024 Outlook Reconciliation of Net Sales Growth to Net Sales Growth at Constant Currency

	2024 Full Year Low End	2024 Full Year High End
Net sales (% change)	(2%)	2%
Foreign currency translation	0%	0%
Full Year 2024 outlook Net Sales Growth at Constant Currency	(2%)	2%

Full Year 2024 Outlook Reconciliation of Net Income to Adjusted EBITDA

<i>(\$ in millions)</i>	2024 Full Year Low End	2024 Full Year High End
Net income - GAAP	\$230	\$275
Interest expense, net of interest income *	146	46
Tax expense	78	93
Depreciation	92	92
Full year 2024 outlook EBITDA (Non-GAAP)	\$546	\$606
Stock compensation expense	18	18
Repositioning costs	26	26
Full Year 2024 Outlook Adjusted EBITDA (Non-GAAP)	\$590	\$650

* Excludes the effects of marked-to-market fluctuations from our interest rate swap contracts

Full Year 2024 Outlook Reconciliation of Cash Flow from Operations to Adjusted Free Cash Flow

<i>(\$ in millions)</i>	2024 Full Year Low End	2024 Full Year High End
Net cash provided by operating activities (GAAP)	\$370	\$470
Expenditures for property, plant and equipment	(87)	(87)
Net cash provided by operating activities less expenditures for property, plant and equipment (Non-GAAP)	\$283	\$383
Cash payments for repositioning	26	26
Cash proceeds from cross currency swap	15	15
Capital structure transformation costs	1	1
Full year 2024 outlook Adjusted Free Cash Flow (Non-GAAP)	\$325	\$425



www.garrettmotion.com



| [garrettmotion](#)

Successful Innovation Shift to Electrification Technologies

Turbomachines for Air Compression



High precision design & assembly, high speed balancing, and ability to operate in harsh environments across multiple use cases



Withstands temperatures up to **1,900°F**
Operating with tolerances of **7x thinner than hair**

High-Speed Motors



Best-in-class power density, producing the same amount of power in a smaller, more compact form



E-Turbo motor can rotate in **excess of 200,000** revs per minute
Operates at **10x typical automotive E-motor speeds**

Power Electronics

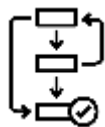


Unique, compact design for high speed / high power motor control, operating in harsh environments (vibration, temperature)



High voltage **400-800V** electronics in a compact design
Industry-leading **30,000 Hertz** switching frequency

Control Software



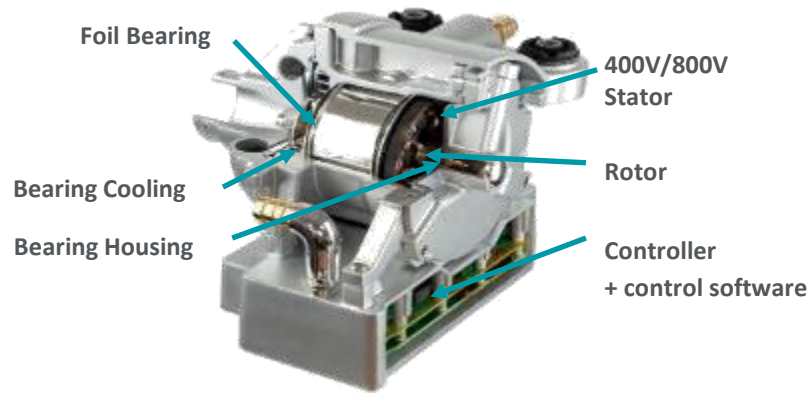
Use on-board digital twins to optimize energy efficiency of all vehicle types in real-time



Up to **30x smaller memory footprint**
Up to **6x faster** execution time vs. closest competitor

Fuel Cell Compressor (FCC): efficient and durable

High-Speed Air Compressor system...



A **high-speed** electric motor (>150krpm), enclosed in an **ultra-compact** form factor, and controlled by **high voltage** inverter

...Bringing Best-in-Class efficiency and durability

To drive **100** km a Fuel Cell Electric Vehicle consumes
... **1** kg of Hydrogen
... **60** m³ of air

The **Fuel Cell Compressor** plays the **critical mission** of providing that compressed **air**, determining the **efficiency of the entire system**, from light vehicle to heavy duty trucks (40kW to 300kW)



-10%
Power Consumption

40%
Downsizing Fuel Stack

-30%
Weight Reduction

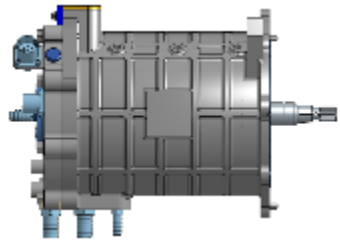
220-800V
Power architecture compatible

2x
More durable

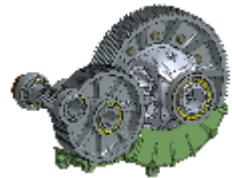
High Speed E-Powertrain: Higher Power, Smaller Package

Designed to re-set the benchmark...

...via Best-in-Class Power Density



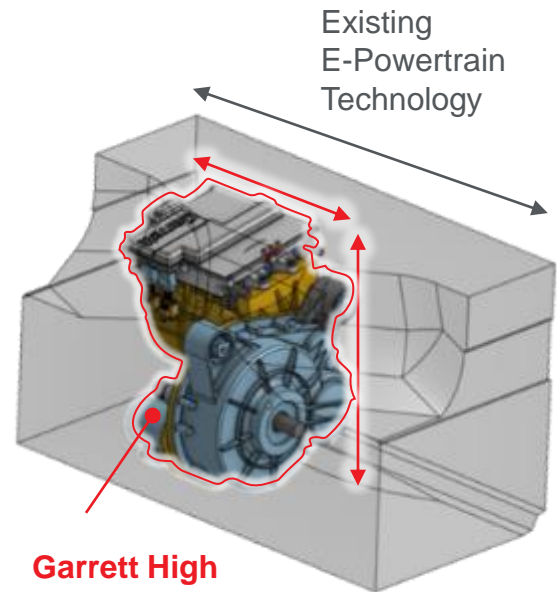
IPM Motor
True high-speed
35krpm



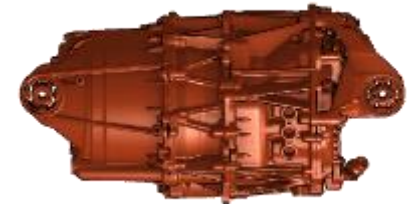
Gearbox
Gear ratio
24:1



Inverter
800V **>15kHz**

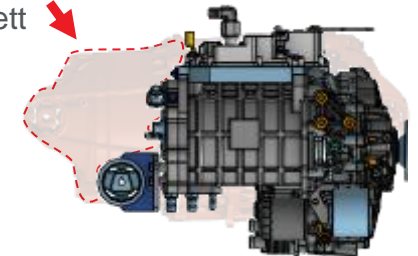


Leading US BEV player



Space freed up by Garrett

Garrett
ADVANCING MOTION
250kW A-Sample



-50%

Packaging Size Reduction

-40%

Weight Reduction

-35%

Rare Earth (magnet & copper) Content Reduction

60%

Continuous to Peak Power Ratio

Best In Class

Energy Efficiency

E-Cooling Compressor: step change in cooling & heating power

A new refrigerant compressor technology...

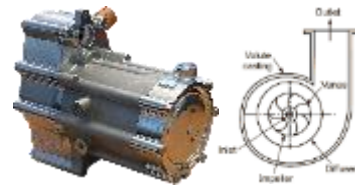
Industry standard



Volumetric scroll compressor
10 kRPM, oil lubricated

Cooling performance \downarrow @ higher ambient T °C
Heating performance \downarrow @ lower ambient T °C

Garrett

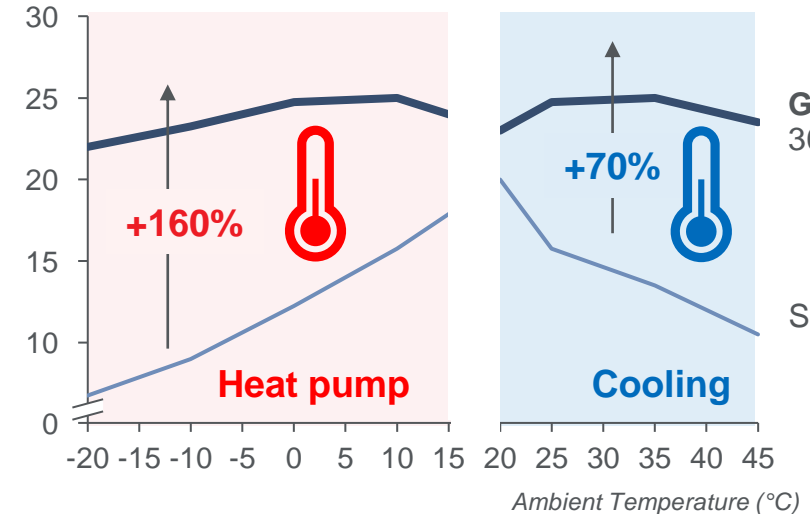


Centrifugal compressor
160 kRPM, oil-free foil bearings

Cooling performance \uparrow @ higher ambient T °C
Heating performance \uparrow @ lower ambient T °C

... bringing breakthrough in performance

Cooling / Heating
Power (kW)



GTX compressor
30 mm wheel dia
Similar size & weight (6kg)

Scroll compressor
60 cc



>20%

Reduction in fast-charging time

No de-rating

During intensive driving

3x

Faster cabin cool-down

2x

smaller for same cooling/heating power

-10dB

Low vibration and low noise

Oil less

No mounting limitations

Founded on unique set of capabilities & IP difficult to acquire



65y exp. with air compression turbomachine



Unique ultra high-speed electric motor



High switching freq. power electronics



Unique high-speed sensor-less controls

And more:

High speed and oil-less bearings



Industry status

Patchy portfolio, **higher power consumption**, **heavier & bulkier** design, limited field experience



Why so difficult to catch up?

- Need **multi-domain optimization** & IP protected critical tech. bricks
- **Portfolio breadth** to support the variety of applications & field experience (Garrett 10y and 3 gen. know-how, widest portfolio)
- Major technology step required to manage challenges with **super-high-speed vibration, cooling, high-speed balancing, high-speed sensor-less controls, ...**
- Need **high speed centrifugal air compression** building blocks for design & manufacturing
- Garrett leveraging **field experience** & established portfolio of Fuel cell Compressor

Fuel Cell Compressor

Industry 1st SOP 2016



100-150k RPM



E-Powertrain

Industry 1st 35kRPM



35k RPM



E-Cooling Compressor

Industry 1st centrifugal



160k RPM



Lower speed (~15k RPM) motor implies **heavier & bulkier** product w/ integration challenges

Low speed (<10k RPM) volumetric compressors **noisy & losing efficiency** in hot or cold conditions