

NOVEMBER 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**

24 Years Industry Experience

*4 Years at
Garrett*



Craig Balis

**SVP & Chief
Technology Officer**

26 Years Industry Experience

*35 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

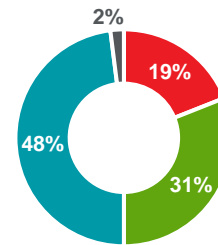
R&D Centers

13

State-of-the-art Manufacturing Facilities

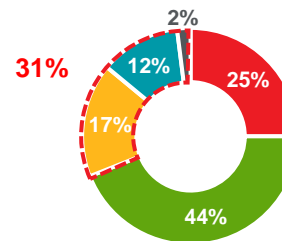
2023 Revenue Breakdown

By Geography



■ North America ■ Europe
■ Asia ■ Other

By Product Line



■ Diesel ■ Gas ■ Other
■ Aftermarket ■ Commercial Vehicle

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



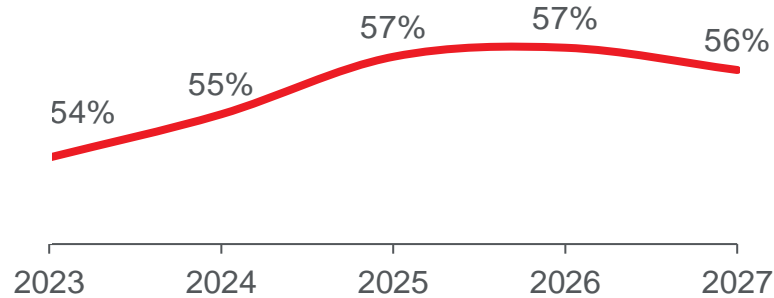
E-Cooling Compressor

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

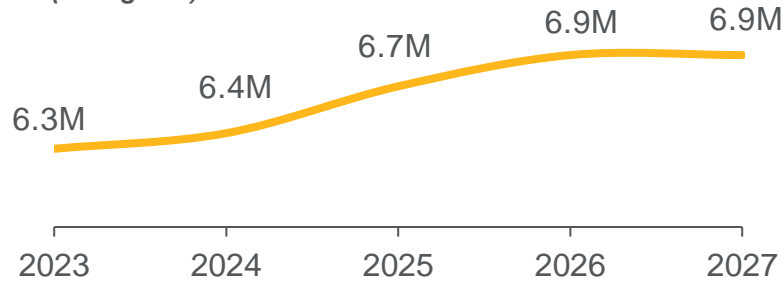
Leader in Turbo, a more resilient industry than ICE

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

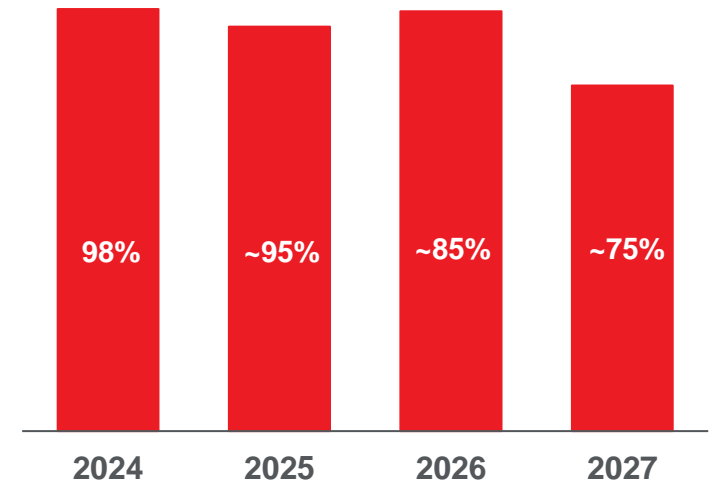
Garrett leadership expansion

- **#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



- **31% 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)

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



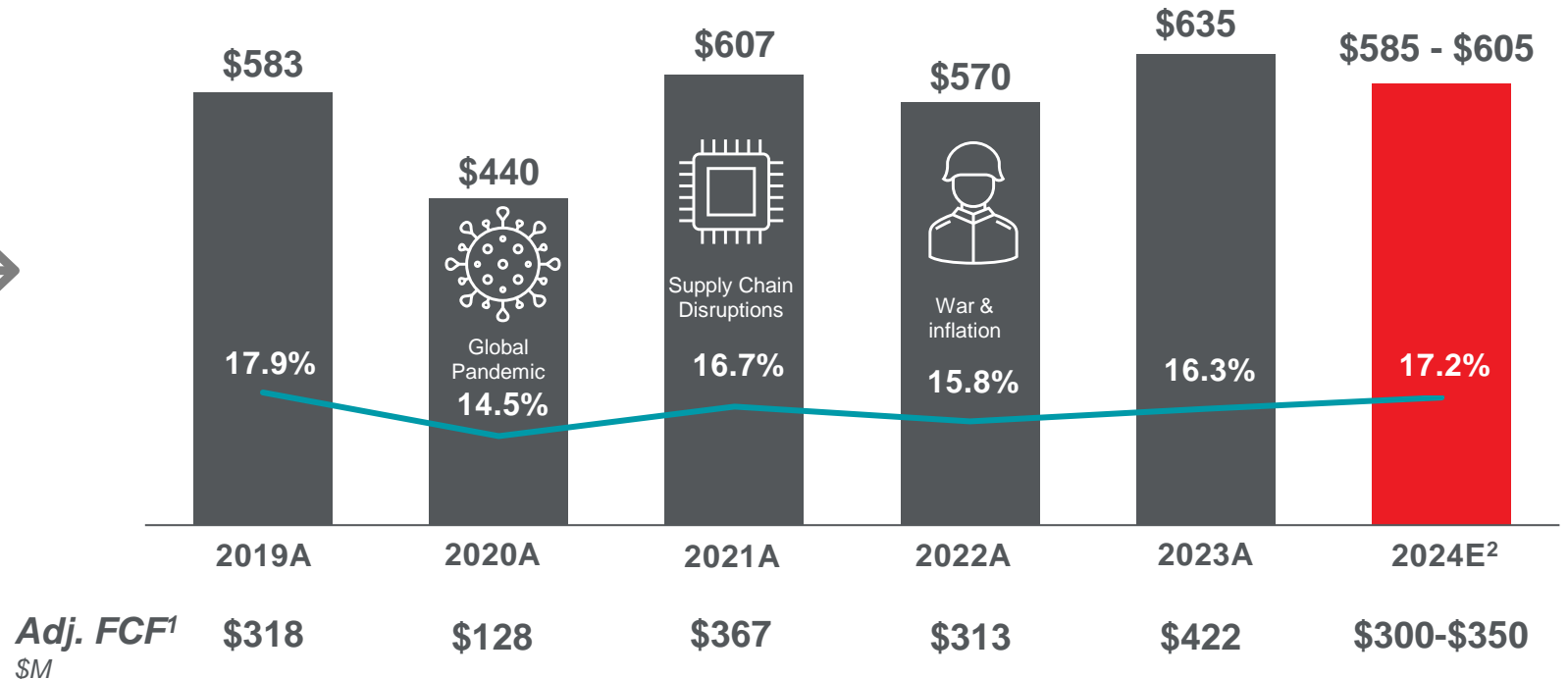
Capital “light” operating model drives low capital intensity and strong cash flow generation



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

² Outlook as communicated on 10/24/2024

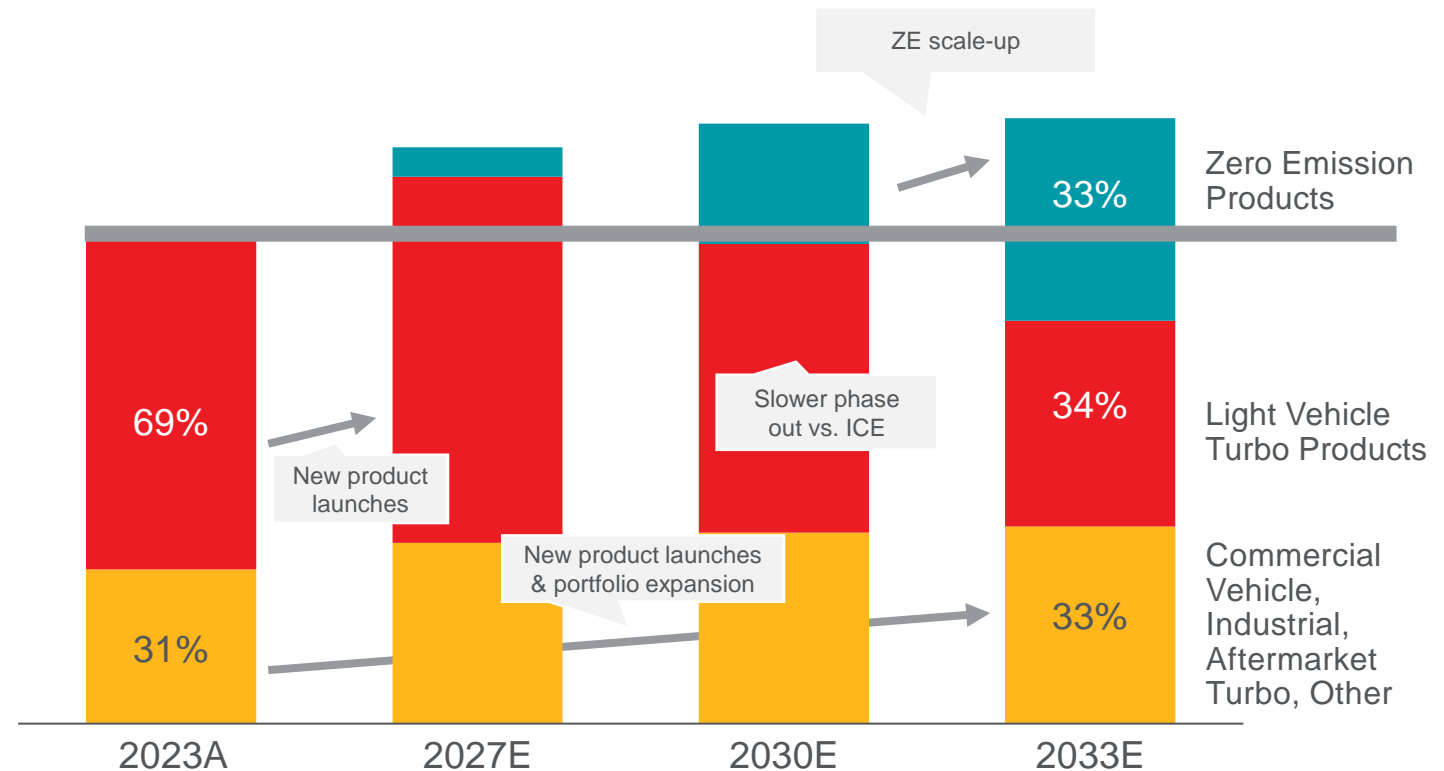
Technology-driven mission provides long term profitable growth

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



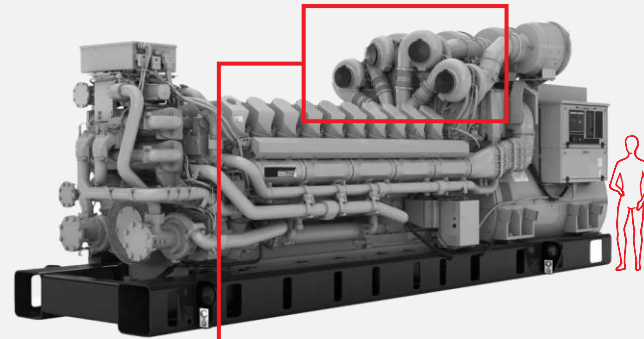
¹ See Appendix for reconciliations of the Non-GAAP measures
² Source: Management estimates

Q3 2024: Continuing to expand our turbo portfolio

Strong demand for our largest turbocharger for marine & auxiliary power

- Delivered **first marine prototype**, start of production in Q1 2026
- Won **back-up power development project**, start of production in Q4 2026
- Awarded **marine development project**, start of production in Q2 2027
- Won **two series production awards**, start of production in 2027

4X Large Turbochargers



Additional wins across Passenger and Commercial Vehicle applications:



Continuing to win new business for **natural gas applications** for **on-highway** use in China



Accelerating customer interest in North America tied to OEM **Tier 4 / plug-in hybrid**



Winning additional China business for **light vehicle gasoline export programs**

Customers embracing our differentiated high-speed E-Powertrain technology

- Signed **Letter of Intent** with **SinoTruk** to put zero-emission trucks **on the road by 2027**
- Developing an **electric beam axle** with a leading **commercial vehicle axle player**
- Demonstrating **significant weight savings**, up to 300kg, per axle for CV applications
- Moving to **production intent design and testing** phase with a major global PV OEM



E-Powertrain

Fuel Cell: Won **series production** for bus, medium-duty and heavy-duty trucks with industry-leading compressors

E-Cooling Compressors: Signed **two pre-development contracts** with electric bus makers for battery and cabin cooling



Won 2024 Stellantis Innovation Award for our **Zero-Emission Technologies**

TECHNOLOGIES FOR ZERO EMISSION VEHICLES



Garrett Technologies for Zero Emission Vehicles and beyond

Commercial Vehicles | Battery, Hybrid, Fuel Cell

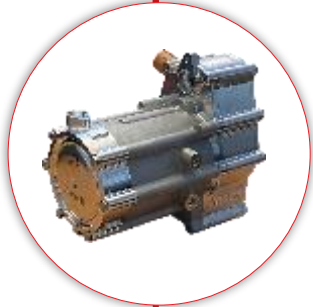
Passenger Vehicle | Battery, Hybrid



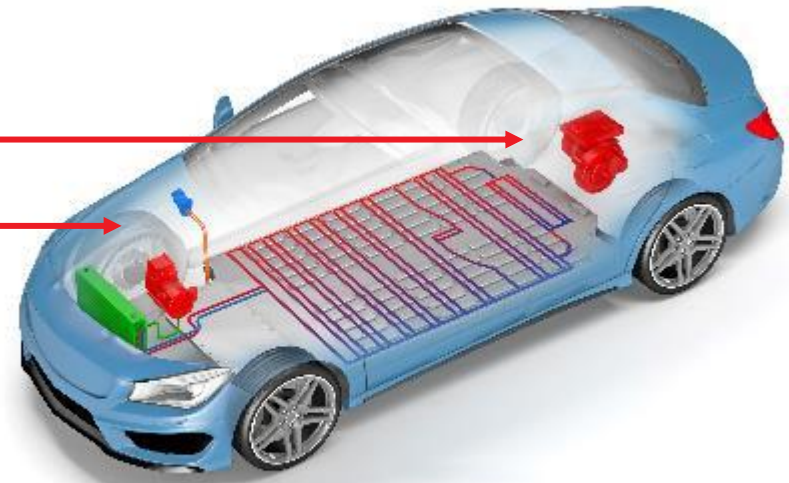
E-Powertrain for Electric Vehicles
Integrated E-motor, inverter (power electronics) and transmission solution for EV propulsion



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
Opportunities in battery storage systems and other industrial applications



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

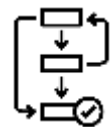


Unique, compact design for high speed / high power motor control, operating in harsh environments (vibration, temperature)



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

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)**
- ✓ **Quiet 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 programs in production
7 series production launches on going



>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

6 pre-development contracts won, including 3 moving into production intent design & validation phase





15+ Customers Engaged



x5-20+

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

PORTFOLIO: 5 E-POWERTRAIN FAMILIES

-  **~150 kW:** for small SUVs, compact / mid-size sedan
-  **~250 kW** for SUV, Pick-ups, premium, sports cars
-  **>150 kW** for delivery trucks, step-in-vans, ...
-  **Up to 900 kW** for class 4 to 8 trucks (incl. off-road like mining)

E-Cooling Compressor... Results so far



WINNING BUSINESS

12 pre-development contracts won, for mobility & industrial applications

20+ Customers Engaged



PORTFOLIO: 3 E-COOLING COMPRESSOR FAMILIES

15-25kW for Light Vehicles

25-35kW for Commercial Vehicles

40-80kW for industrial usage



x1-2

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

We remain focused on value creation

Industry Leadership

Continue to be #1 Turbo player and leader in a technology-driven industry; Still investing in new Turbo technology especially for hybrids; Expanding into industrial applications

Cash generation

Proven performance through business cycles; Framework of 60% adjusted free cash flow conversion¹ for the next 5 years while funding R&D and returning cash to shareholders

Focused zero emission² strategy

Focused investments on differentiated technology solutions for our Fuel Cell Compressor, E-Powertrain and E-Cooling Compressor, targeting **\$1B annual zero emission² sales** by 2030

Tech differentiation

New **zero emission** offerings, addressing unmet customer needs; sustaining **high margins** through **differentiated technology** that is difficult for competitors to replicate

Talent & Culture

Experienced team, proven performance, strong culture of innovation centred on creating and delivering **breakthrough technology** at scale

¹ See Appendix for reconciliations of the Non-GAAP measures
² Zero Emission includes Battery Electric and Fuel Cell Vehicles

APPENDICES



Reconciliation of Net Income to Adjusted EBITDA and Related Ratios

(\$ in millions)	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Net income - GAAP	\$261	\$390	\$495	\$80	\$313
Net interest expense	\$152	\$6	\$82	\$76	\$61
Tax expense	\$86	\$106	\$43	\$39	\$33
Depreciation	\$90	\$84	\$92	\$86	\$73
EBITDA (Non-GAAP)	\$589	\$586	\$712	\$281	\$480
Other expense, net (includes expense incurred to discount or factor the Company's receivables)	4	2	0	45	40
Non-operating income	(6)	(41)	(12)	5	8
Reorganization items, net	0	3	(125)	73	0
Stock compensation expense	14	11	7	10	18
Repositioning charges	13	4	16	10	2
Foreign exchange (gain) loss on debt, net of related hedging (gain) loss	(1)	0	9	(38)	7
Spin-off costs	0	0	0	0	28
Professional service costs	0	0	0	52	
Capital structure transformation costs	22	0	0	0	0
Capital tax expense	0	0	0	2	0
Loss on extinguishment of debt	0	5	0	0	0
Adjusted EBITDA (Non-GAAP)	\$635	\$570	\$607	\$440	\$583
Net sales	\$3,886	\$3,603	\$3,633	\$3,034	\$3,248
Net income (loss) margin	6.7%	10.8%	13.6%	2.6%	9.6%
Adjusted EBITDA margin	16.3%	15.8%	16.7%	14.5%	17.9%

Reconciliation of Cash Flow from Operations to Adjusted Free Cash Flow and Related Ratios

(\$ in millions)

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Net cash provided by operating activities (GAAP)	\$465	\$375	(\$310)	\$25	\$242
Expenditures for property, plant and equipment	(83)	(91)	(72)	(80)	(102)
Net cash provided by operating activities less expenditures for property, plant and equipment (Non-GAAP)	\$382	\$284	(\$382)	(\$55)	\$140
Honeywell Indemnity Agreement expenses	0	0	0	43	0
Stalking horse termination reimbursement	0	0	79	0	0
Chapter 11 Professional service costs	0	5	220	101	0
Capital structure transformation costs	8	0	0	0	0
Honeywell Settlement as per Emergence Agreement	0	0	375	0	0
Chapter 11 related cash interests	0	0	41	0	0
Pension cash	0	0	0	0	0
Stock compensation cash	0	0	10	0	0
Cash payments for repositioning	11	4	14	5	0
Cash proceeds from cross currency swap	19	0	0	0	0
Factoring and P-notes	2	20	10	34	0
Honeywell indemnity and mandatory transition tax related payments	0	0	0	0	178
Adjusted free cash flow (Non-GAAP)	\$422	\$313	\$367	\$128	\$318
Net income - GAAP	\$261	\$390	\$495	\$80	\$313
operating cash flow conversion	178%	96%	-63%	31%	77%
Adjusted EBITDA	\$635	\$570	\$607	\$440	\$583
Adjusted free cash flow conversion	66%	55%	60%	29%	55%

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	\$240	\$255
Interest expense, net of interest income *	151	151
Tax expense	82	87
Depreciation	90	90
Full year 2024 outlook EBITDA	\$563	\$583
Other non-operating income	(28)	(28)
Discounting costs on factoring	3	3
Stock compensation expense	21	21
Acquisition and divestiture expenses	1	1
Debt refinancing and redemption costs	2	2
Repositioning costs	23	23
Full Year 2024 Outlook Adjusted EBITDA	\$585	\$605

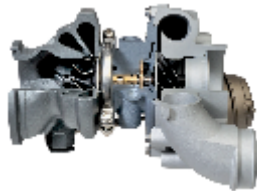
* Excludes the effects of marked-to-market fluctuations from our interest rate swap contracts

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	\$348	\$398
Expenditures for property, plant and equipment	(86)	(86)
Net cash provided by operating activities less expenditures for property, plant and equipment	\$262	\$312
Cash payments for repositioning	21	21
Cash proceeds from cross currency swap	15	15
Acquisition and divestiture expenses	1	1
Capital structure transformation costs	1	1
Full year 2024 outlook Adjusted Free Cash Flow	\$300	\$350

Industry Transition Driving Greater Content & Higher ASP

Core Tech



Waste Gate (WG) technology

Advanced Turbo Technologies



Variable Nozzle Technology (VNT)



E-Turbo

New ZEV Technologies



E-Cooling Compressor



Fuel Cell Compressor



E-Powertrain

Light Vehicles (LV)

100-400\$

Average Selling Price (ASP) per Turbo

x1.2-1.3

ASP multiplier vs. LV WG

x2

ASP multiplier vs. LV WG

x1-2

ASP multiplier vs. LV/CV WG

x2-3

ASP multiplier vs. LV/CV WG

x5-10

ASP multiplier vs. LV/CV WG

Commercial Vehicles & Industrials (CV)

x1-5+¹

ASP multiplier vs. Light vehicle

x2

ASP multiplier vs. CV WG

x2

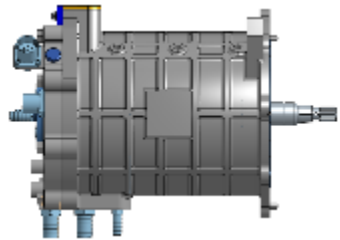
ASP multiplier vs. CV WG

¹Depending on size & volumes, up to several thousand dollars

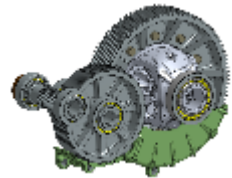
High Speed E-Powertrain: Higher Power, Smaller Package

Designed to re-set the benchmark...

...via Best-in-Class Power Density



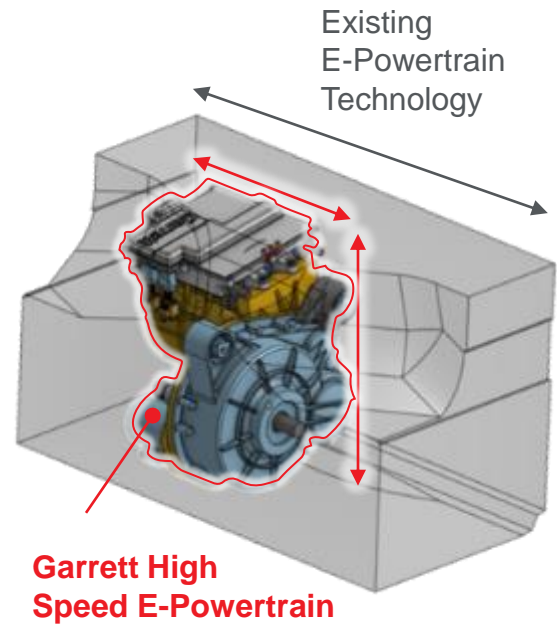
IPM Motor
True high-speed
35krpm



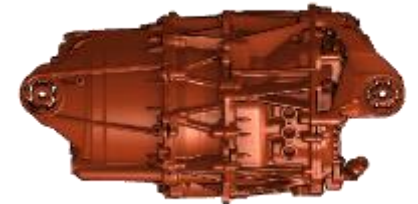
Gearbox
Gear ratio
24:1



Inverter
800V **>15kHz**

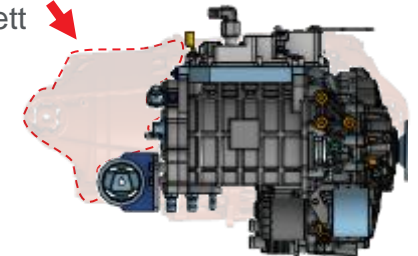


Leading
US BEV
player



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...

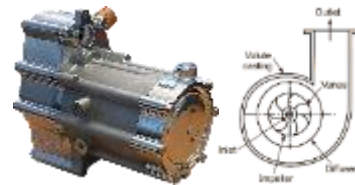
Industry standard



Volumetric scroll compressor
10 kRPM, oil lubricated

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

Garrett

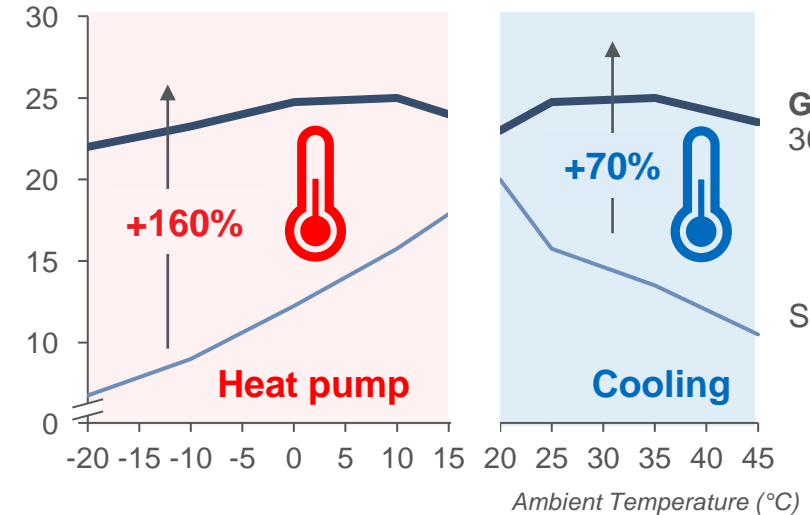


Centrifugal compressor
160 kRPM, oil-free foil bearings

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

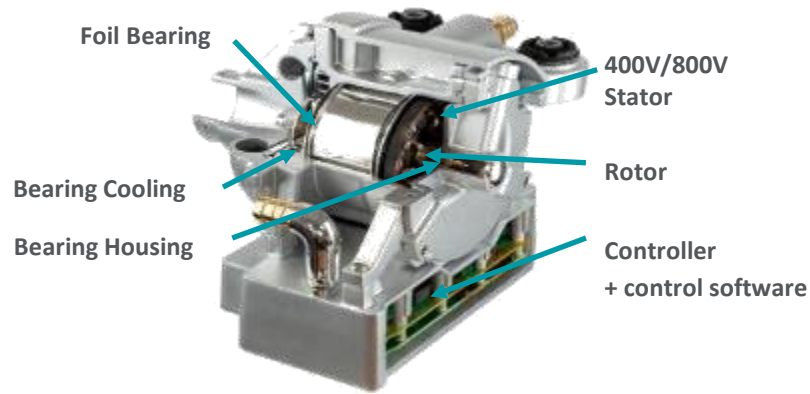
Low vibration and low noise

Oil less

No mounting limitations

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

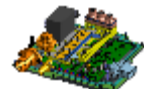
Founded on unique set of capabilities & IP difficult to acquire



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

Garrett

ADVANCING MOTION

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