

JULY 24, 2025

# Q2 2025 FINANCIAL RESULTS

**Garrett**  
ADVANCING MOTION

### **Forward Looking Statements**

This communication and related comments by management may include “forward-looking statements” within the meaning of the U.S. federal securities laws. Forward-looking statements are any statements other than statements of historical fact and can be identified by words such as “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “target,” “will,” and similar expressions. Forward-looking statements represent our current judgment about possible future activities, events, or developments that we intend, expect, project, believe, or anticipate will or may occur in the future. In making these statement, we rely upon assumptions and analysis based on our experience and perception of historical trends, current conditions, and expected future developments, as well as other factors we consider appropriate under the circumstances. We believe these judgments are reasonable, but these statements are not guarantees of any future performance, events, or results, and actual performance, events, or results may differ materially from those envisaged by our forward-looking statements due to a variety of important factors, many of which are described in our most recent Annual Report on Form 10-K and our other filings with the U.S. Securities and Exchange Commission, including risks related to the automotive industry, the competitive landscape and our ability to compete, and macroeconomic and geopolitical conditions, among others. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made, and we undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events, or other factors that affect the subject of these statement, except where we are expressly required to do so by law.

### **Non-GAAP Financial Measures**

This communication 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, Adjusted EBITDA, Adjusted EBITDA margin, Consolidated EBITDA, Adjusted EBIT, Adjusted EBIT margin, Adjusted free cash flow, and Adjusted free cash flow conversion. We believe these measures are useful to investors and management in understanding our ongoing operations and analysis of ongoing operating trends and are important indicators of operating performance because they exclude the effects of certain non-operating items, therefore making them more closely reflect our operational performance. Our calculation of these non-GAAP measures, including a reconciliation of such measures to the most closely related GAAP measure, are set forth in the Appendix to this presentation. These non-GAAP measures may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related GAAP measures. For additional information regarding our non-GAAP financial measures, see our most recent Annual Report on Form 10-K and our other filings with the U.S. Securities and Exchange Commission.

# Key Business Highlights

## Q2 2025 Financial Performance

### Net Sales of \$913M

- +3% reported and flat at constant currency<sup>1</sup> vs. Q2 2024, including tariff recoveries
- Light vehicle gasoline grew 4% outperforming the industry, driven by share of demand gains

### Adjusted EBIT<sup>1</sup> of \$124M

- Up \$1M vs. Q2 2024 with strong operating performance & favorable foreign currency offsetting unfavorable mix
- Achieved 13.6% margin<sup>1</sup> including (30) bps of margin rate dilution from tariffs vs. 13.8% in Q2 2024

### Adjusted Free Cash Flow<sup>1</sup> of \$121M

- Strong Adjusted FCF conversion<sup>1</sup> and positive working capital contribution

## Industry and Business Trends

### Raising outlook to reflect stronger EUR/USD exchange

- Maintaining industry outlook
- Stronger price & productivity offsetting unfavorable mix

### Delivering strong financial performance

- Mitigating tariff impact with 100% recovery in 2025
- Sustained fixed and variable cost productivity execution

### Returning capital and value to shareholders

- Repurchased \$22M of common stock in Q2, \$52M in H1
- Declared Q3 dividend of \$0.06 per share on July 24, 2025
- GTX added to Russell 2000 index on June 27, 2025

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

# Continued Success Across All Differentiated Technologies

## Turbo and Hybrid Technologies



Gasoline Turbo



Commercial Vehicle Turbo



Industrial Turbo

Successfully winning business across our turbo and hybrid offerings

- **>\$1 billion of light vehicle program extensions awarded** in North America and Europe
- **Won significant E-Turbo program in Europe** and 3 additional **range extended electric vehicle applications** in China
- **Initial Garrett MEG field tests successful;** outperforming existing genset solution
- **Received 7 awards for commercial vehicle on- and off-highway applications** including China Natural Gas and genset applications

## Zero Emission Technologies



3-in-1 E-Powertrain



E-Cooling Compressor



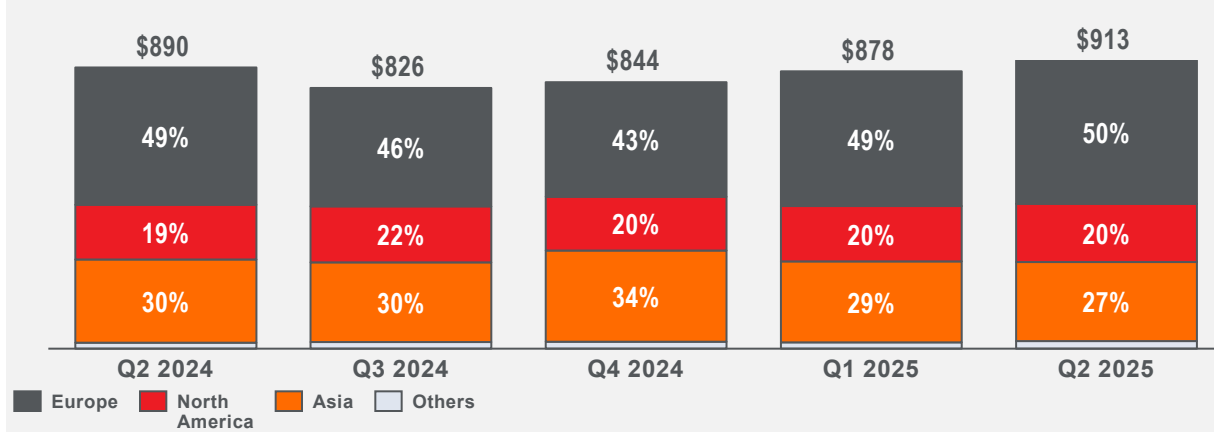
Fuel Cell Compressor

Strong interest for our differentiated technology

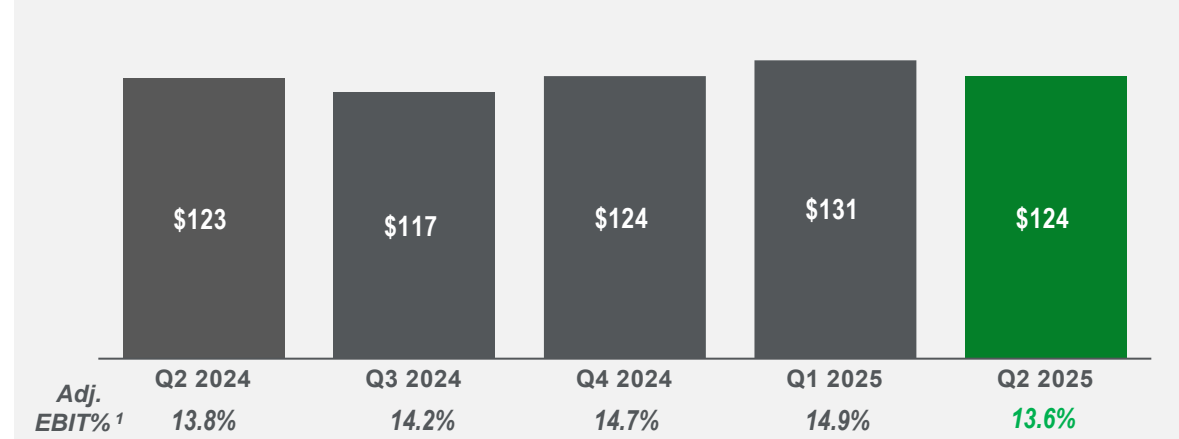
- Growing interest in our high-speed **E-Powertrain** for Passenger Cars and Commercial Vehicle applications; won **additional proof of concept** with a major EU OEM
- **E-Cooling oil-free compressor** test results **exceed industrial customers' targets** for efficiency, disrupting incumbent technologies
- Won another **Fuel Cell Compressor serial production program with leading Asian OEM**
- Inaugurated a **new Research and Development center in Wuhan** focused on our zero emission technologies

# Quarterly Financial Trends: Q2 2024 – Q2 2025

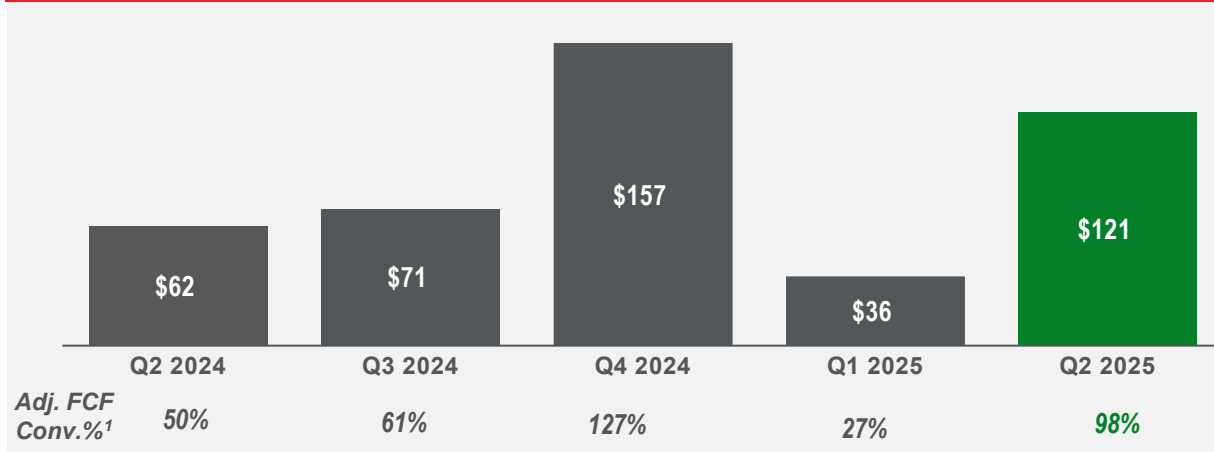
## Reported Net Sales (\$M)



## Adjusted EBIT<sup>1</sup> (\$M)



## Adjusted FCF<sup>1</sup> (\$M)

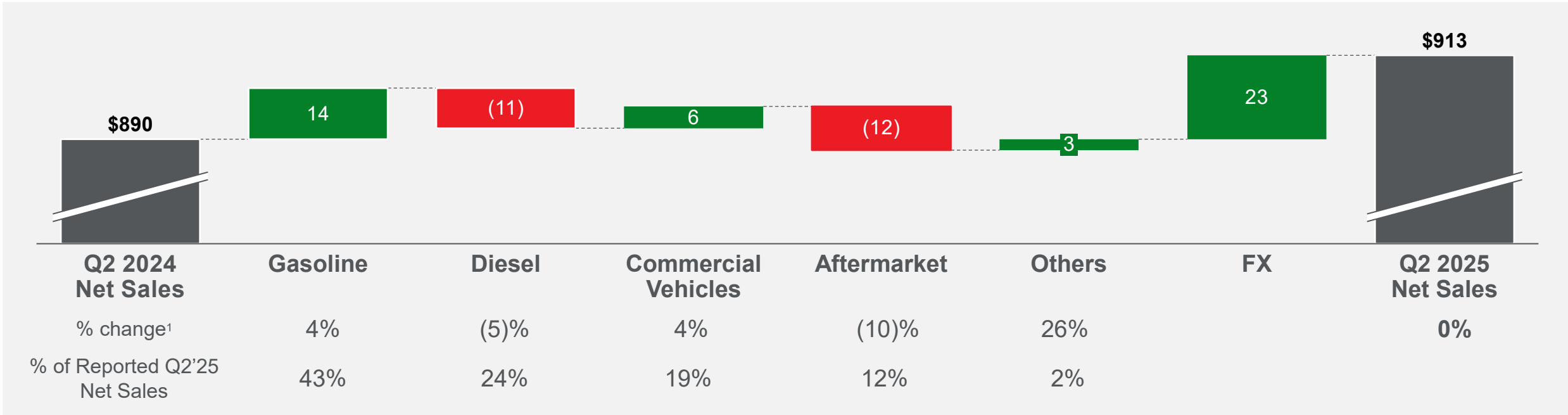


- **Net Sales improved sequentially**, reflecting favorable foreign currency impacts and higher tariff recoveries | continued gasoline strength
- **Adjusted EBIT<sup>1</sup> of \$124M** as unfavorable product mix continues and is partially offset by favorable foreign currency impacts
- **Strong Adjusted Free Cash Flow<sup>1</sup>** performance driven by sequential sales growth and working capital contribution

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

# Net Sales Bridge: Q2 2025

(\$M)

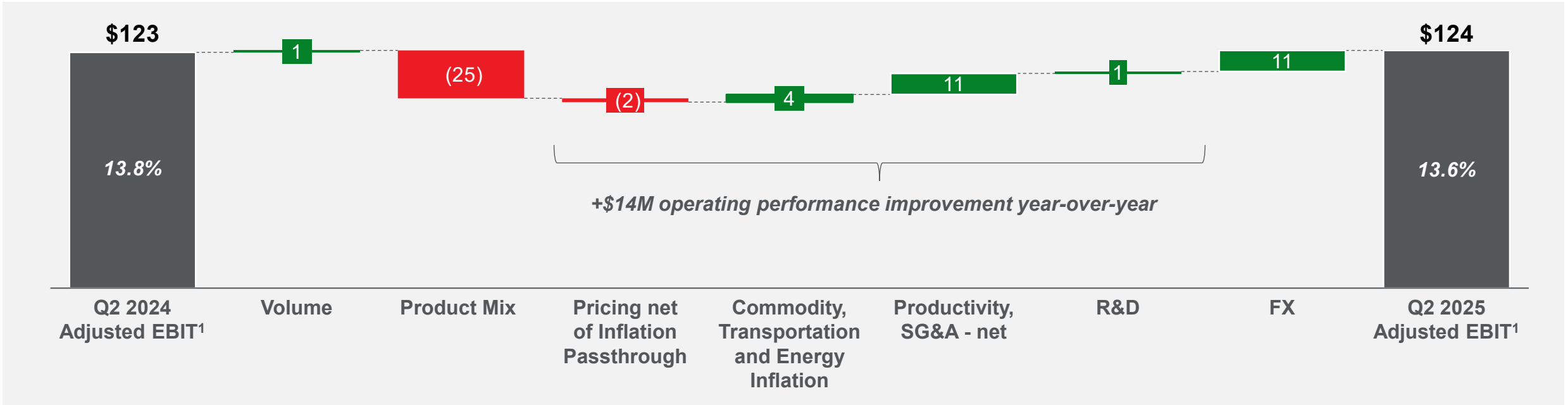


- **Q2 2025 Net Sales of \$913M, up \$23M or 3% on a reported basis, flat at constant currency<sup>1</sup>**
  - Strong gasoline growth primarily from new application launches and ramp-ups in Europe & North America
  - Diesel decline reflects continued impact of lower industry production mainly in Europe
  - Aftermarket off-highway applications down mainly due to softness in North America
  - Includes \$14M of tariff recoveries across all verticals

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

# Adjusted EBIT<sup>1</sup> Bridge: Q2 2025

(\$M)

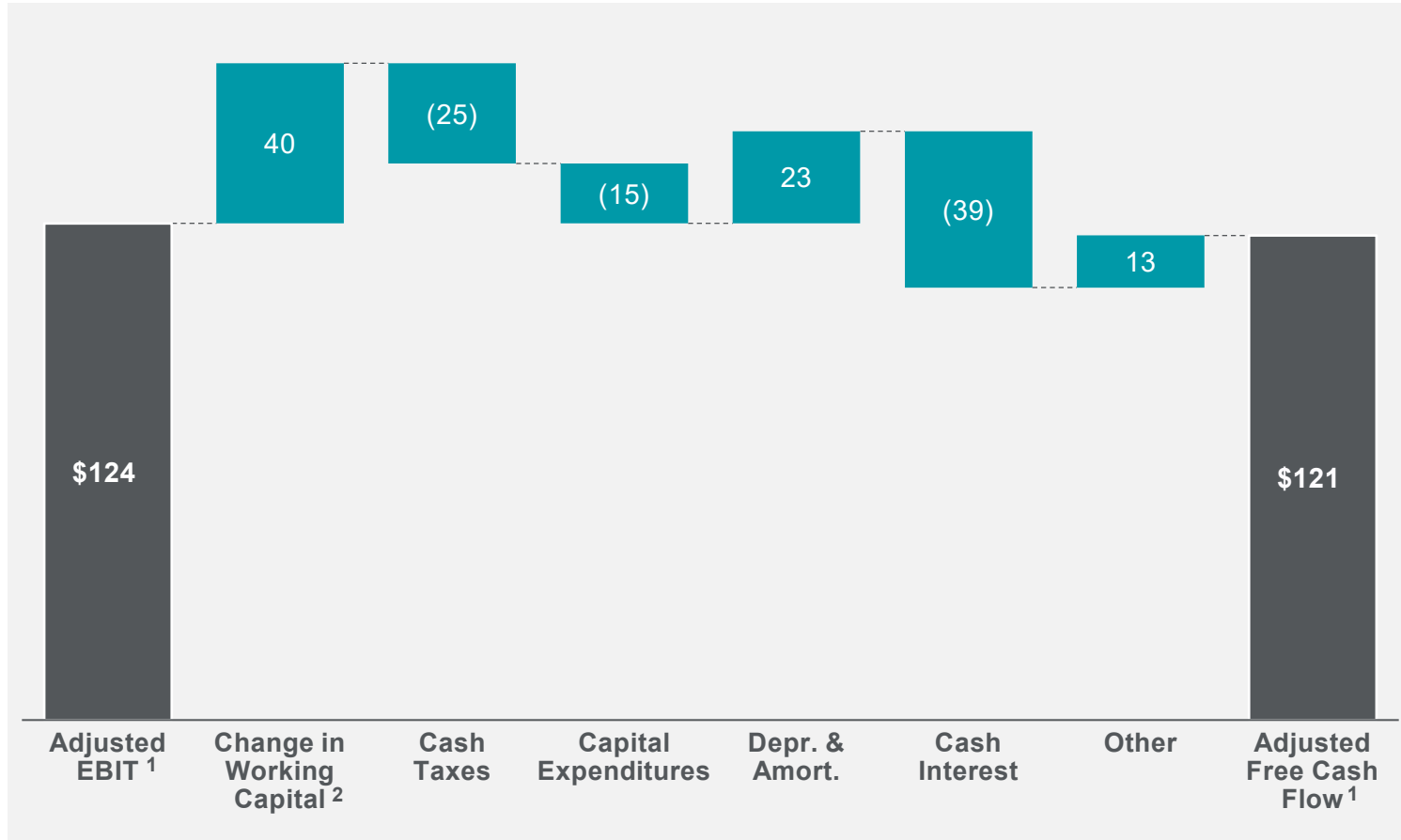


- Q2 2025 Adjusted EBIT<sup>1</sup> of \$124M, up \$1M | Margin<sup>1</sup> of 13.6% down (20)bps
  - Aftermarket and diesel decline driving unfavorable product mix
  - Continued operating performance strength through sustained fixed and variable cost productivity
  - Foreign currency driving 80 bps of margin rate improvement, partially offset by (30) bps of dilution from tariffs

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

# Q2 2025 Adjusted EBIT<sup>1</sup> to Adjusted Free Cash Flow<sup>1</sup> Bridge

(\$M)



- Strong cash generation from higher volumes and working capital contribution sequentially
- Cash taxes, capital expenditures, depreciation, and cash interest in line with expectations
- Other includes cross currency swap and stock-based compensation

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix  
<sup>2</sup> Change in Working Capital excludes the impact of \$(40)M Factoring and p-notes

# Strong Liquidity and Balanced Capital Allocation Framework

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(\$M)

## Liquidity and Net Debt<sup>2</sup>

|  | Q1 2025      | Q2 2025      |
|--|--------------|--------------|
| Unrestricted Cash <sup>1</sup>                                   | 130          | 232          |
| Undrawn Revolver Credit Facility                                 | 630          | 630          |
| <b>Total Liquidity</b>   | <b>760</b>   | <b>862</b>   |
| 2032 7Y Term Loan B  | 692          | 690          |
| 2032 8Y Senior Unsecured Notes                                   | 800          | 800          |
| Other  | 19           | 1            |
| <b>Gross Debt<sup>2</sup></b>                                    | <b>1,511</b> | <b>1,491</b> |
| <b>Net Debt<sup>2</sup><br/>(Gross Debt – Unrestricted Cash)</b> | <b>1,381</b> | <b>1,259</b> |

## Ample liquidity with no near-term debt maturities

- Term Loan B and Unsecured Notes maturing in 2032
- Net leverage ratio<sup>2</sup> stable at 1.99x

## Targeting to return 75% or more of Adjusted FCF<sup>2</sup> to shareholders over time

- Paid \$25M of dividends in 2025: \$0.06 per share on Jan 31, 2025 and June 16, 2025
- Repurchased \$52M of common stock in H1 under \$250M authorized repurchase program, reducing share count by more than 39% since Q1 2023<sup>3</sup>
- Declared Q3 dividend of \$0.06 per share on July 24, 2025

## Stock added to the Russell 2000<sup>®</sup> Index on June 27, 2025

<sup>1</sup> Excluding Restricted Cash of \$1M in Q4 2024 and \$1M in Q1 2025

<sup>2</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

<sup>3</sup> Includes Preferred A shares on an as-as-converted basis for periods prior to the conversion

# Raising 2025 Outlook for favorable currency exchange

|  | Outlook          | Prior Outlook    |
|--|------------------|------------------|
| Net Sales  | \$3.4B to \$3.6B | \$3.3B to \$3.5B |
| Net Sales Growth at Constant Currency <sup>1</sup> | -3% to +2%       | -3% to +2%       |
| Net Income   | \$233M to \$278M | \$209M to \$254M |
| Adjusted EBITDA <sup>1</sup>                       | \$590M to \$650M | \$545M to \$605M |
| Adjusted EBIT <sup>1</sup>                         | \$470M to \$530M | \$427M to \$487M |
| Net Cash Provided By Operating Activities          | \$370M to \$450M | \$357M to \$447M |
| Adjusted Free Cash Flow <sup>1</sup>               | \$330M to \$410M | \$300M to \$390M |

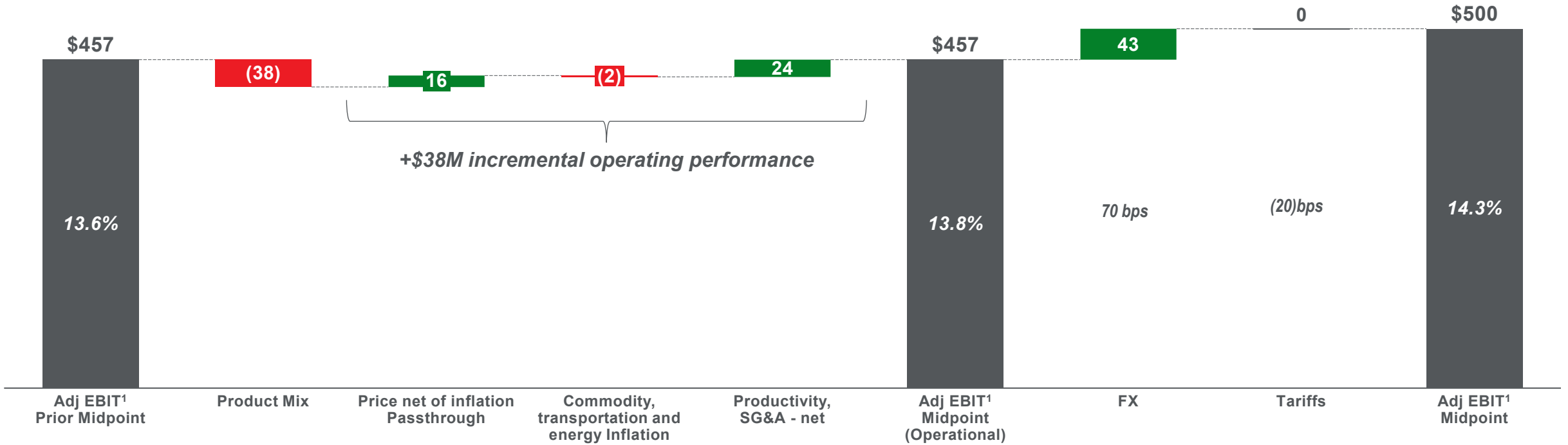
## Key Planning Assumptions

- **Prior industry outlook maintained:** Light vehicle industry -3% to flat, LV BEV penetration ~16%; Commercial Vehicle industry (including on- and off-highway), flat to +2%
- **Newly implemented tariff impact fully mitigated with 100% recovery** (\$46M in 2025)
- **Price and operating productivity** continues to be a significant source of margin improvement (up vs. prior outlook)
- **RD&E investment of ~4.2% of sales** (vs. 4.6% in prior outlook)
- **Capital expenditures of ~2.5% of sales** (vs. 2.8% in prior outlook)
- **Updated €/€ assumption to 1.16 in H2 2025** (1.13 average rate for FY vs. 1.05 in prior outlook)

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

# 2025 Adjusted EBIT<sup>1</sup> Midpoint Bridge

(\$M)



- **Raised Adjusted EBIT<sup>1</sup> midpoint of \$500M, reflecting a stronger EUR/USD exchange rate and tariffs**
  - Gasoline strength and weaker Aftermarket demand drives unfavorable product mix
  - Incremental price and productivity actions offset mix before favorable foreign currency and tariffs
  - Favorable foreign currency impacts net of tariff dilution drives 50 bps of margin rate improvement

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

# We Remain Focused on Value Creation

## Industry Leadership

Continue to be **#1 Turbo player**<sup>1</sup> and leader in a technology-driven industry; still investing in new Turbo technologies especially for hybrids; expanding into industrial applications

## Cash Generation

**Proven performance** through business cycles with target of 60% Adjusted Free Cash Flow conversion<sup>2</sup> for the next 5 years while funding R&D and target return of 75% or more of adjusted free cash flow<sup>2</sup> to shareholders over time through share repurchases and dividends

## Focused Zero Emission<sup>3</sup> Strategy

**Focused investments on differentiated technology solutions** for our E-Powertrain, E-Cooling Compressor, and Fuel Cell Compressor

## 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** centered on creating and delivering **breakthrough technology** at scale

<sup>1</sup> Turbo ranking based on 2024 sales

<sup>2</sup> See Appendix for reconciliations of the Non-GAAP measures

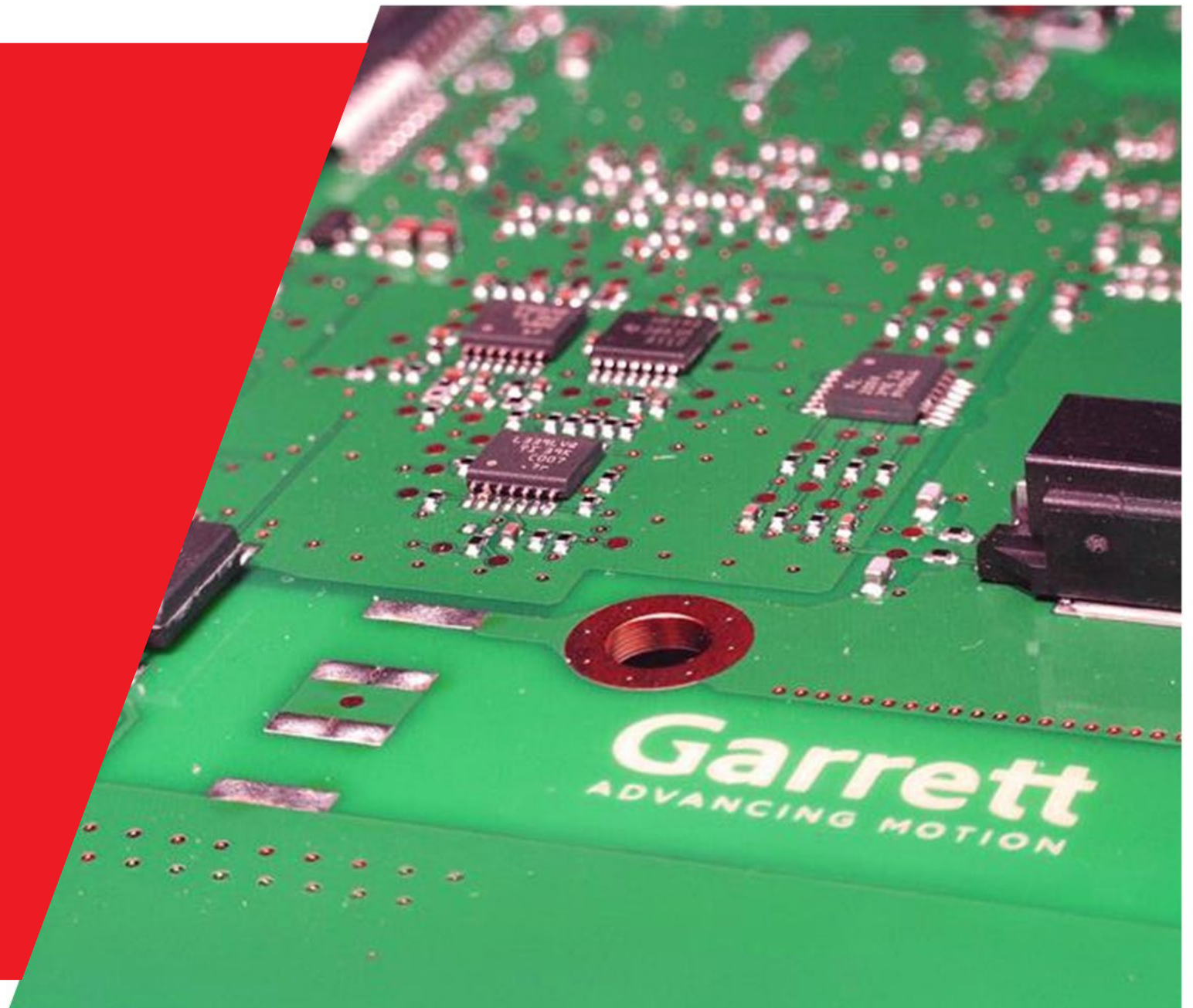
<sup>3</sup> Zero Emission includes Battery Electric and Fuel Cell Vehicles

# Strong start to 2025, well-positioned to deliver full year outlook **Garrett** ADVANCING MOTION

-  Delivered solid financial results in the quarter, with gasoline sales outperforming the industry, and achieving an **Adjusted EBIT<sup>1</sup> of \$124M** and **Adjusted Free Cash Flow<sup>1</sup> of \$121M**
-  Continued to **return capital to our shareholders** with **\$52M of share repurchases in the first half** and payment of our **second quarterly dividend**
-  **Strong quarter of business wins including >\$1B of light vehicle turbo program extensions**
-  **Steady progress on zero emission technologies** with new proof of concept partnership on E-Powertrain, strong test results on E-Cooling and a serial production award for Fuel Cell
-  **2025 outlook raised** for stronger EUR/USD exchange rate

<sup>1</sup> Reconciliations of Non-GAAP financial measures are included in Appendix

# APPENDICES



# Income Statement

| <i>(\$ in millions)</i>                      | <b>Q2 2025</b> | <b>Q2 2024</b> | <b>YTD Q2 2025</b> | <b>YTD Q2 2024</b> |
|--|----------------|----------------|--------------------|--------------------|
| <b>Net sales</b>                             | <b>\$913</b>   | <b>\$890</b>   | <b>\$1,791</b>     | <b>\$1,805</b>     |
| Cost of goods sold                           | 732            | 705            | 1431               | 1448               |
| <b>Gross profit</b>                          | <b>181</b>     | <b>185</b>     | <b>360</b>         | <b>357</b>         |
| Selling, general and administrative expenses | 59             | 61             | 118                | 125                |
| Other expense, net                           | 1              | 3              | 8                  | 4                  |
| Interest expense                             | 25             | 62             | 54                 | 93                 |
| Gain on sale of equity investment            | 0              | (27)           | 0                  | (27)               |
| Non-operating income                         | (6)            | (1)            | (7)                | (6)                |
| <b>Income before taxes</b>                   | <b>102</b>     | <b>87</b>      | <b>187</b>         | <b>168</b>         |
| Tax expense                                  | 15             | 23             | 38                 | 38                 |
| <b>Net income</b>                            | <b>\$87</b>    | <b>\$64</b>    | <b>\$149</b>       | <b>\$130</b>       |

# Balance Sheet Summary

(\$ in millions)

|   | June 30, 2025 | December 31, 2024 |
|---|---------------|-------------------|
| <b>Assets</b>                                 |               |                   |
| Cash and cash equivalents                     | \$232         | \$125             |
| Restricted cash                               | 1             | 1                 |
| Other   | 1,130         | 1,067             |
| Total current assets                          | \$1,363       | \$1,193           |
| Property, plant and equipment-net             | \$458         | \$449             |
| Deferred income taxes                         | 241           | 207               |
| Other   | 341           | 427               |
| Total assets                                  | \$2,403       | \$2,276           |
| <b>Liabilities</b>                            |               |                   |
| Total current liabilities                     | \$1,319       | \$1,278           |
| Long-term debt                                | 1,460         | 1,464             |
| Other   | 436           | 207               |
| Total liabilities                             | \$3,215       | \$2,949           |
| <b>Equity (deficit)</b>                       |               |                   |
| Common stock, par value                       | \$0           | \$0               |
| Additional paid-in capital                    | 1,226         | 1,213             |
| Retained deficit                              | (1,517)       | (1,653)           |
| Treasury Stock                                | (362)         | (306)             |
| Accumulated other comprehensive income (loss) | (159)         | 73                |
| Total deficit                                 | (812)         | (673)             |
| Total liabilities and deficit                 | \$2,403       | \$2,276           |

# Summary of Cash Flows

| <i>(\$ in millions)</i>   | <b>Q2 2025</b> | <b>Q2 2024</b> | <b>YTD Q2 2025</b> | <b>YTD Q2 2024</b> |
|---|----------------|----------------|--------------------|--------------------|
| <b>Net income</b>   | <b>\$87</b>    | <b>\$64</b>    | <b>\$149</b>       | <b>\$130</b>       |
| <b>Net cash provided by operating activities</b>                                      | <b>158</b>     | <b>126</b>     | <b>214</b>         | <b>210</b>         |
| <b>Net cash (used for) provided by investing activities</b>                           | <b>(4)</b>     | <b>46</b>      | <b>(26)</b>        | <b>18</b>          |
| <b>Net cash used for financing activities</b>   | <b>(58)</b>    | <b>(272)</b>   | <b>(89)</b>        | <b>(384)</b>       |
| Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash | 6              | 2              | 8                  | (5)                |
| Net increase / (decrease) in cash, cash equivalents and restricted cash               | 102            | (98)           | 107                | (161)              |
| <b>Cash, cash equivalents and restricted cash at beginning of the period</b>          | <b>131</b>     | <b>197</b>     | <b>126</b>         | <b>260</b>         |
| <b>Cash, cash equivalents and restricted cash at the end of the period</b>            | <b>\$233</b>   | <b>\$99</b>    | <b>\$233</b>       | <b>\$99</b>        |

# Reconciliation of Constant Currency Sales % Change

| Garrett                                   | Q2 2025 | Q2 2024 | YTD Q2 2025 | YTD Q2 2024 |
|---|---------|---------|-------------|-------------|
| <b>Reported sales % change</b>            | 3%      | (12%)   | (1%)        | (9%)        |
| <b>Less: Foreign currency translation</b> | 3%      | (2%)    | 0%          | (1%)        |
| <b>Constant Currency sales % change</b>   | (0%)    | (10%)   | (1%)        | (8%)        |
| <b>Gasoline</b>                           |         |         |             |             |
| <b>Reported sales % change</b>            | 6%      | (17%)   | 5%          | (11%)       |
| <b>Less: Foreign currency translation</b> | 2%      | (2%)    | 0%          | (2%)        |
| <b>Constant Currency sales % change</b>   | 4%      | (15%)   | 5%          | (9%)        |
| <b>Diesel</b>                             |         |         |             |             |
| <b>Reported sales % change</b>            | (1%)    | (15%)   | (8%)        | (12%)       |
| <b>Less: Foreign currency translation</b> | 4%      | (1%)    | 0%          | (1%)        |
| <b>Constant Currency sales % change</b>   | (5%)    | (14%)   | (8%)        | (11%)       |
| <b>Commercial vehicles</b>                |         |         |             |             |
| <b>Reported sales % change</b>            | 6%      | (4%)    | 1%          | (8%)        |
| <b>Less: Foreign currency translation</b> | 2%      | (2%)    | 0%          | (2%)        |
| <b>Constant Currency sales % change</b>   | 4%      | (2%)    | 1%          | (6%)        |
| <b>Aftermarket</b>                        |         |         |             |             |
| <b>Reported sales % change</b>            | (8%)    | 6%      | (10%)       | 4%          |
| <b>Less: Foreign currency translation</b> | 2%      | (1%)    | 0%          | (1%)        |
| <b>Constant Currency sales % change</b>   | (10%)   | 7%      | (10%)       | 5%          |
| <b>Other Sales</b>                        |         |         |             |             |
| <b>Reported sales % change</b>            | 31%     | (13%)   | 19%         | 0%          |
| <b>Less: Foreign currency translation</b> | 5%      | (2%)    | 1%          | (2%)        |
| <b>Constant Currency sales % change</b>   | 26%     | (11%)   | 18%         | 2%          |

We define constant currency sales growth as the year-over-year change in reported sales relative to the comparable period, excluding the impact on sales from foreign currency translation. This is the same definition we previously used for “organic sales growth”. We believe this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

# Reconciliation of Cash Flow from Operations to Adjusted Free Cash Flow and Adjusted Free Cash Flow Conversion

| <i>(\$ in millions)</i>  | Q1 2024     | Q2 2024     | Q3 2024     | Q4 2024      | Q1 2025     | Q2 2025      |
|--|-------------|-------------|-------------|--------------|-------------|--------------|
| Net cash provided by operating activities  | \$84        | \$126       | \$67        | \$131        | \$56        | \$158        |
| Expenditures for property, plant and equipment   | (32)        | (17)        | (20)        | (22)         | (26)        | (15)         |
| <b>Net cash provided by operating activities less expenditures for property, plant and equipment</b> | <b>52</b>   | <b>109</b>  | <b>47</b>   | <b>109</b>   | <b>30</b>   | <b>143</b>   |
| Capital structure transformation costs   | 1           | 0           | 0           | 0            | 0           | 0            |
| Acquisition and divestiture expenses   | 0           | 1           | 0           | 0            | 1           | 4            |
| Cash payments for repositioning  | 9           | 4           | 2           | 3            | 3           | 3            |
| Cash proceeds from cross currency swap   | 4           | 4           | 3           | 6            | 4           | 11           |
| Debt refinancing costs   | 0           | 0           | 0           | 0            | 6           | 0            |
| Factoring and P-notes  | 2           | (56)        | 19          | 39           | (8)         | (40)         |
| <b>Adjusted free cash flow</b>   | <b>\$68</b> | <b>\$62</b> | <b>\$71</b> | <b>\$157</b> | <b>\$36</b> | <b>\$121</b> |
| Net income   | \$66        | \$64        | \$52        | \$100        | \$62        | \$87         |
| Adjusted EBITDA  | 151         | 150         | 144         | 153          | 159         | 154          |
| Operating cash flow conversion %   | 127%        | 197%        | 129%        | 131%         | 90%         | 182%         |
| <b>Adjusted free cash flow Conversion %</b>  | <b>45%</b>  | <b>41%</b>  | <b>49%</b>  | <b>103%</b>  | <b>23%</b>  | <b>79%</b>   |
| Adjusted EBIT  | 121         | 123         | 117         | 124          | 131         | 124          |
| <b>Adjusted free cash flow Conversion %</b>  | <b>56%</b>  | <b>50%</b>  | <b>61%</b>  | <b>127%</b>  | <b>27%</b>  | <b>98%</b>   |

# Reconciliation of Net Income to Adjusted EBIT, Adjusted EBITDA and Consolidated EBITDA<sup>1</sup>

| (\$ in millions)   | Q2 2024      | Q3 2024      | Q4 2024      | Q1 2025      | Q2 2025      | LTM Q1 2025    | LTM Q2 2025    |
|--|--------------|--------------|--------------|--------------|--------------|----------------|----------------|
| <b>Net income - GAAP</b>                                   | <b>\$64</b>  | <b>\$52</b>  | <b>\$100</b> | <b>\$62</b>  | <b>\$87</b>  | <b>\$278</b>   | <b>\$301</b>   |
| Interest expense, net of interest income                   | 61           | 37           | 26           | 29           | 23           | 153            | 115            |
| Tax expense (benefit)                                      | 23           | 24           | (1)          | 23           | 15           | 69             | 61             |
| Repositioning costs  | 1            | 4            | 5            | 7            | (2)          | 17             | 14             |
| Foreign exchange gain on debt, net of related hedging gain | (1)          | 0            | 0            | 1            | (1)          | 0              | 0              |
| Discounting costs on factoring                             | 1            | 1            | 1            | 1            | 1            | 4              | 4              |
| Gain on sale of equity investment                          | (27)         | 0            | 0            | 0            | 0            | (27)           | 0              |
| Other non-operating income                                 | (2)          | (1)          | (8)          | (1)          | (2)          | (12)           | (12)           |
| Acquisition and divestiture expenses                       | 1            | 0            | 1            | 3            | 3            | 5              | 7              |
| Debt refinancing and redemption costs                      | 2            | 0            | 0            | 6            | 0            | 8              | 6              |
| <b>Adjusted EBIT</b>                                       | <b>123</b>   | <b>117</b>   | <b>124</b>   | <b>131</b>   | <b>124</b>   | <b>495</b>     | <b>496</b>     |
| Depreciation   | 22           | 23           | 23           | 22           | 23           | 90             | 91             |
| Stock compensation expense                                 | 5            | 4            | 6            | 6            | 7            | 21             | 23             |
| <b>Adjusted EBITDA</b>                                     | <b>\$150</b> | <b>\$144</b> | <b>\$153</b> | <b>\$159</b> | <b>\$154</b> | <b>\$606</b>   | <b>\$610</b>   |
| Unrealized Foreign exchange gain                           | 2            | 5            | (8)          | 10           | 5            | 9              | 12             |
| Interest Income  | 2            | 0            | 0            | 0            | 0            | 2              | 0              |
| Other expenses   | (1)          | 3            | 7            | 0            | 0            | 9              | 10             |
| <b>Consolidated EBITDA</b>                                 | <b>\$153</b> | <b>\$152</b> | <b>\$152</b> | <b>\$169</b> | <b>\$159</b> | <b>\$626</b>   | <b>\$632</b>   |
| <b>Net Sales</b>   | <b>\$890</b> | <b>\$826</b> | <b>\$844</b> | <b>\$878</b> | <b>\$913</b> | <b>\$3,438</b> | <b>\$3,461</b> |
| Net income margin  | 7.2%         | 6.3%         | 11.8%        | 7.1%         | 9.5%         | 8.1%           | 8.7%           |
| Adjusted EBIT margin                                       | 13.8%        | 14.2%        | 14.7%        | 14.9%        | 13.6%        | 14.4%          | 14.3%          |
| Adjusted EBITDA margin                                     | 16.9%        | 17.4%        | 18.1%        | 18.1%        | 16.9%        | 17.6%          | 17.6%          |

<sup>1</sup> As defined in our credit agreement

<sup>2</sup> 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>                      | <b>Q2 2025</b> | <b>Q1 2025</b> | <b>Q2 2024</b> |
|--|----------------|----------------|----------------|
| Long-term term debt                          | \$1,460        | \$1,462        | \$1,465        |
| Short-term term debt                         | \$7            | \$7            | \$7            |
| Bank overdraft                               | \$0            | \$17           | \$0            |
| Deferred finance costs                       | \$24           | \$25           | \$25           |
| <b>Gross Debt</b>                            | <b>\$1,491</b> | <b>\$1,511</b> | <b>\$1,497</b> |
| <b>Cash and cash equivalents</b>             | <b>\$232</b>   | <b>\$130</b>   | <b>\$98</b>    |
| <b>Net Debt</b>                              | <b>\$1,259</b> | <b>\$1,381</b> | <b>\$1,399</b> |
| <b>Consolidated EBITDA LTM (Non-GAAP)</b>    | <b>\$632</b>   | <b>\$626</b>   | <b>\$620</b>   |
| <b>Gross Debt to Consolidated EBITDA LTM</b> | <b>2.36x</b>   | <b>2.41x</b>   | <b>2.41x</b>   |
| <b>Net Debt to Consolidated EBITDA LTM</b>   | <b>1.99x</b>   | <b>2.21x</b>   | <b>2.26x</b>   |

<sup>1</sup> Net leverage ratio defined as Net Debt divided by Consolidated EBITDA

# Full Year 2025 Outlook Reconciliation of Net Sales Growth to Net Sales Growth at Constant Currency

|   | 2025 Full Year Low<br>End | 2025 Full Year High<br>End |
|---|---------------------------|----------------------------|
| Net sales (% change)  | (2%)                      | 4%                         |
| Foreign currency translation  | 1%                        | 2%                         |
| <b>Full Year 2025 outlook Net Sales Growth at Constant Currency</b> | <b>(3%)</b>               | <b>2%</b>                  |

# Full Year 2025 Outlook Reconciliation of Net Income to Adjusted EBIT to Adjusted EBITDA

| <i>(\$ in millions)</i>                       | 2025 Full Year Low<br>End | 2025 Full Year High<br>End |
|---|---------------------------|----------------------------|
| <b>Net income</b>                             | <b>\$233</b>              | <b>\$278</b>               |
| Interest expense, net of interest income*     | 123                       | 123                        |
| Tax expense                                   | 76                        | 91                         |
| Discounting costs on factoring                | 2                         | 2                          |
| Repositioning costs                           | 24                        | 24                         |
| Acquisition and divestiture expenses          | 6                         | 6                          |
| Debt refinancing costs                        | 6                         | 6                          |
| <b>Full year 2025 outlook Adjusted EBIT</b>   | <b>\$470</b>              | <b>\$530</b>               |
| Depreciation                                  | 95                        | 95                         |
| Stock compensation expense                    | 25                        | 25                         |
| <b>Full Year 2025 Outlook Adjusted EBITDA</b> | <b>\$590</b>              | <b>\$650</b>               |

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

# Full Year 2025 Outlook Reconciliation of Cash Flow from Operations to Adjusted Free Cash Flow

| <i>(\$ in millions)</i>  | <b>2025 Full Year Low<br/>End</b> | <b>2025 Full Year High<br/>End</b> |
|--|-----------------------------------|------------------------------------|
| <b>Net cash provided by operating activities</b>   | <b>\$370</b>                      | <b>\$450</b>                       |
| Expenditures for property, plant and equipment   | (\$89)                            | (\$89)                             |
| <b>Net cash provided by operating activities less expenditures for property, plant and equipment</b> | <b>\$281</b>                      | <b>\$361</b>                       |
| Cash payments for repositioning  | 25                                | 25                                 |
| Cash proceeds from cross currency swap   | 12                                | 12                                 |
| Acquisition and divestiture expenses   | 6                                 | 6                                  |
| Cash payments for debt refinancing costs   | 6                                 | 6                                  |
| <b>Full year 2025 outlook Adjusted Free Cash Flow</b>  | <b>\$330</b>                      | <b>\$410</b>                       |



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