



**INVITATION TO ACQUIRE SHARES  
IN GREEN LANDSCAPING  
HOLDING AB (PUBL)**

Global Coordinator and Sole Bookrunner

**Pareto**  
Securities

## IMPORTANT INFORMATION TO INVESTORS

This Prospectus (the "**Prospectus**") has been prepared by reason of the offering to the general public in Sweden of shares in Green Landscaping Holding AB (publ), reg. no 556771-3465, a Swedish public limited liability company in connection with the listing of the shares on Nasdaq First North (the "**Offering**"). By "Green Landscaping" or the "**Company**" is meant in the Prospectus, depending on context, Green Landscaping Holding AB (publ), the group in which the Company is a parent company or one or more subsidiaries in the group. The "**Group**" in the Prospectus refers to the group in which Green Landscaping Holding AB (publ) is the parent company. The "**Principal Shareholder**" or "**FSN Capital III**" refers in the Prospectus to FSN Capital Holding Jersey III Limited in its capacity of general partner (Sw. *motsvarande komplementär*) for FSN Capital GP III L.P. in its capacity of general partner for FSN Capital III Limited Partnership. "**Global Coordinator and Sole Bookrunner**" or "**Pareto Securities**" refers to Pareto Securities AB. For the meaning of other defined terms used in the Prospectus, please refer to the section "**Definitions**".

The Prospectus has been prepared in accordance with the rules of the Swedish Financial Instruments Trading Act (Sw. *lag (1991:980) om handel med finansiella instrument*), the Council Directive 2003/71/EC (the "**Prospectus Directive**") and the Commission Regulation (EC) No. 809/2004. The Prospectus is an English translation of the Swedish prospectus that has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") in accordance with Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (Sw. *lagen (1991:980) om handel med finansiella instrument*). Approval and registration of the Prospectus by the SFSA does not imply a guarantee by the SFSA of the completeness or correctness of the facts presented in the Prospectus.

The Prospectus is available in electronic form on the Company's website ([www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se)) and Pareto Securities website ([www.paretosec.com](http://www.paretosec.com)), and will also be available on the SFSA's website ([www.fi.se](http://www.fi.se)). Information contained or referred to on the Company's website is not part of, and is not incorporated by reference to, the Prospectus, except as regards any documents available on the Company's website which are incorporated by reference in the section "**Documents incorporated by reference and available for inspection**" in the Prospectus. The Prospectus is also available in physical form (hard copy) at the Company's office (visiting address: Klarabergsviadukten 70, 111 64 Stockholm).

The Offering is not intended for the public in any jurisdiction other than Sweden. In member countries of the European Economic Area (EEA) that have implemented the Prospectus Directive – in addition to Sweden – an offer of securities can only be provided in accordance with an exception in the Prospectus Directive. No shares in the Company have or will be registered according to the United States Securities Act of 1933 ("**Securities Act**") or any other jurisdiction of the United States and no shares may be offered, subscribed for, sold or transferred, directly or indirectly, in or into the United States except pursuant to applicable exemptions from the registration requirements of the Securities Act (as amended). Potential buyers are hereby informed that the sellers of the shares in the Offer may rely on the exemption from the provisions of Section 5 of the Securities Act, as permitted by Rule 144A. The shares have not been reviewed by any federal or state securities commission or regulatory authority in the United States. Nor have the above mentioned authorities confirmed the accuracy of or assessed the appropriateness of the Prospectus. Any claims on the contrary constitute a crime in the United States.

Further, the Offering is not being made to individuals residing in Australia, Canada, Japan or in any other jurisdiction where participation would require additional prospectuses, registrations or other measures than required by Swedish law. The Prospectus, the application form and/or other documents connected to the Offering may not be distributed in or into any jurisdiction where the Offering requires measures as described above or would be in conflict with applicable law in that jurisdiction. Applications to acquire shares in the Company in violation of the above restrictions may be deemed invalid. Persons into whose possession the Prospectus comes are required to inform themselves about and follow all such restrictions. An action in violation of the restrictions may constitute a violation of applicable securities legislation.

An investment in the Company's shares is associated with certain risks; please refer in particular to section "**Risk factors**". In making a decision to invest in the Company's shares, an investor must rely on his or her own assessment of the Company, the Group and the terms of the Offering, including the merits and risks involved, relying solely on the information contained in the Prospectus (and in any supplements to the Prospectus). Neither the publication nor the distribution of the Prospectus does mean that the information contained in the Prospectus is up to date as of any time after the date of the Prospectus, or that the Company's business, results or financial position has remained unchanged after this date. In the event that there have been any material changes to the information contained in the Prospectus during the period after the Prospectus has been approved by the SFSA, such changes will be made public in accordance with the provisions of the Swedish Financial Instruments Trading Act.

No person is or has been authorised by the Company to give any information or to make any representation or warranty on behalf of the Company in connection with the Offering other than contained in the Prospectus and, if given or made, such information, representation or warranty may not be relied upon as having been authorised by the Company and the Company accepts no liability with respect to any such information, representation or warranty. Further, no representation or warranty, expressed or implied, is made by any member of the board of directors of the Company or anybody else, except for what follows from applicable law and regulations, as to the correctness and / or completeness of any of the information contained in the Prospectus.

Any dispute arising from the Prospectus, the Offering or other legal matters related thereto shall be settled exclusively by a Swedish court of law and resolved in accordance with Swedish law without reference to any of its choice of law principles. The district court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The Prospectus has been made in a Swedish and an English language version. In case of any discrepancy between the Swedish and English language versions of the Prospectus, the Swedish language version shall prevail. It should also be noted that an investor bringing court action in connection with the information disclosed in the Prospectus may be obliged to pay for a translation of the Prospectus.

### Forward-looking information and market information

The Prospectus contains certain forward-looking statements reflecting the Company's current view of future events and financial and operational results. Such forward-looking statements are associated with both known and unknown risks and circumstances outside the Company's control. All statements in the Prospectus other than statements of historical or current facts or circumstances are forward-looking statements. Forward-looking statements are made in several sections of the Prospectus and can be identified by the use of terms or expressions such as "may", "could", "should", "anticipated", "estimated", "likely", "forecasted", "plans to", "aims to", or conjugations of such terms or similar terms. The "**Risk factors**" section contains a description of some, but not all, factors that may cause the Company's future earnings and development to deviate significantly from those expressed or implied in any forward-looking statement.

The forward-looking statements only apply as of the date of the Prospectus. The Company has no intent or obligation to publish updated forward-looking statements or any other information contained in the Prospectus based on new information, future events etc. other than required by applicable law, regulation or regulatory framework.

The Prospectus contains certain information regarding the market and the industry in which the Group operates and its position in relation to its competitors which may be based on third party information as well as the Company's estimates based on third party information. The Company has accurately reproduced such third party information and, as far as the Company's board of directors is aware and is able to ascertain through comparisons with other information published by the third party concerned, no details have been omitted in a manner that would make the reproduced information inaccurate or misleading. However, the Company has not independently verified the correctness or completeness of any third party information and therefore the Company cannot guarantee its correctness or completeness.

### Presentation of financial information

Some amounts and percentages stated in the Prospectus have been rounded off and may therefore not always correctly add up. Other than expressly stated in the Prospectus, no information in the Prospectus has been examined or audited by the Company's auditors.

### Stabilisation

In connection with the Offering and the listing on Nasdaq First North, Pareto Securities, in capacity of stabilising agent may participate in transactions that stabilise, maintain or otherwise affect the price of the shares in order to keep the market price of the shares at levels above those which might otherwise prevail in the open market. Such stabilisation transactions may be conducted on Nasdaq First North, the OTC Market or otherwise and may be carried out at any time during the period beginning on the first day of trading in the Company's shares on Nasdaq First North and ending 30 calendar days thereafter. However, Pareto Securities have no obligation to carry out any stabilisation and there is no guarantee that the stabilisation will be put through. For more information on the stabilisation measures, see "**Stabilisation**" under the section "**Legal considerations and supplementary information**".

### Important information regarding subscription and purchase of shares

Please refer to section "**Terms and conditions**".

### Important information regarding Nasdaq First North

Nasdaq First North is an alternative marketplace (MTF) operated by the various exchanges included in Nasdaq. It does not have the same legal status as a regulated market. Companies on Nasdaq First North are governed by the Nasdaq First North regulatory framework and not by the legal requirements placed on trading on a regulated market. A placement in a company traded on Nasdaq First North is more risky than a company in a regulated market. All companies whose shares are approved for trading on Nasdaq First North have a Certified Adviser. Green Landscaping has appointed Pareto Securities to Certified Adviser. It is Nasdaq Stockholm AB which approves the trading of shares on Nasdaq First North.

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## SUMMARY OF THE OFFERING

### Offering price and preliminary schedule

Offering price:	SEK 21 per share
Application period for the general public in Sweden:	13–21 March 2018
Application period for institutional investors:	13–22 March 2018
Preliminary first day of trading:	23 March 2018
Settlement date:	27 March 2018

### Other

Ticker on Nasdaq First North:	GREEN
ISIN code:	SE0010985028

## FINANCIAL CALENDAR

Interim report Q1	14 May 2018
Annual general meeting 2018	14 May 2018
Interim report Q2	27 August 2018
Interim report Q3	12 November 2018

# SUMMARY

This summary consists of information requirements (hereinafter referred to as "Items"). The Items are numbered in the sections A–E (A.1–E.7).

This summary contains all the Items required in a summary for this type of security and issuer. Since some Items do not need to be included, there are gaps in the numbering of the Items.

Even if an Item shall be included in the summary for this type of security and issuer, it is possible that no relevant information can be given on that Item. These items contains a brief description of the Item with the comment "not applicable".

## SECTION A – INTRODUCTION AND WARNINGS

<b>A.1</b>	<b>Introduction and warnings</b>	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on an assessment of the Prospectus in its entirety by the investor. If the claims relating to information in the Prospectus are brought before court, the plaintiff investor might, in accordance with the national laws of the Member States, have to answer for the costs of translation of the Prospectus before the legal proceedings are initiated. Civil liability can only be imposed on the persons who submitted the summary, including the translations thereof, but only if the summary is misleading, incorrect or incompatible with the other parts of the Prospectus or if not, together with other parts of the Prospectus, provides key information to help investors considering investing in such securities.
<b>A.2</b>	<b>Financial intermediaries</b>	Not applicable. Financial intermediaries are not entitled to use the Prospectus for resale or final placement of securities.

## SECTION B – ISSUER

<b>B.1</b>	<b>Legal name of the issuer</b>	The Company's name is Green Landscaping Holding AB (publ) and its registration number is 556771-3465. The Company's trade name is Green Landscaping.
<b>B.2</b>	<b>Domicile and legal form</b>	The Company's board of directors is based in municipality of Stockholm, Stockholm County. The Company is a Swedish public limited company incorporated in Sweden under Swedish law and the Company operates under Swedish law. The Company's association form is governed by the Swedish Companies Act (2005: 551).
<b>B.3</b>	<b>Description of the issuer's business</b>	<p>Green Landscaping is a supplier of services in the Swedish market for outdoor environment maintenance. The main business includes a full range of maintenance services such as grounds maintenance, landscaping, sports grounds maintenance as well as arborist services. Green Landscaping is active in central and southern Sweden with focus on metropolitan regions. The Company also plans to expand its business to the other Nordic countries.</p> <p>According to the Company's articles of association, the object of the Company's business is directly or indirectly to, independently or through subsidiary Companies, pursue land and real estate engineering operations, management and contract work and any other activities compatible therewith and to own and manage real estate and chattels.</p>
<b>B.4a</b>	<b>Trends</b>	<p>Driving factors for the market's expected positive development are favorable demographic trends. Growth is expected to be driven primarily by urbanisation, increased ambitions from municipalities with increased spending on green areas and higher quality and safety requirements combined with increased housing construction. New construction of homes often takes place in combination with new construction of outdoor environments such as parks, playgrounds and outdoor gyms. Increased quality and safety requirements are also expected to increase demand for, for example, renovations of playgrounds and outdoor gyms. Furthermore, the market is also affected by the proportion of services outsourced to external suppliers.<sup>1)</sup></p> <p>1) Strategy&amp; – 2017 Market Report.</p>
<b>B.5</b>	<b>Group structure</b>	The Company is a parent company in the Group which, as of the date of the Prospectus, consists of the Company and nine (9) directly and indirectly owned subsidiaries, all of which are Swedish private limited companies, as well as one Norwegian branch.

**B.6 Shareholder structure**

As of the day of the Prospectus, the number of shareholders in the Company amounts to 57 and the Company's largest shareholder is FSN Capital Holding Jersey III Limited, in its capacity of general partner (Sw. *motsvarande komplementär*) for FSN Capital GP III L.P. in its capacity of general partner for FSN Capital III Limited Partnership (the "**Principal Shareholder**" or "**FSN Capital III**"). The Principal Shareholder holds 20,409,300 shares, of which 2,018,700 are ordinary shares and 18,390,600 are preference shares of different classes, corresponding to 60.35 percent of the shares and votes in the Company. Apart from that, as of the day of the Prospectus, only the Company's CEO Johan Nordström holds more than 5 percent of the shares in the Company. Johan Nordström holds a total of 2,480,250 shares representing 7.33 percent of the shares and votes in the Company through his wholly owned companies CapNorth AB and Johan Nordstrom Invest AB.

As of the day of the Prospectus, there are several different series of preference shares and outstanding convertible bonds in the Company. In conjunction with the listing of the Company's shares on Nasdaq First North, outstanding preference shares and convertible bonds will be settled, whereafter there will only be one class of shares in the Company. The settlement of outstanding preference shares and convertible bonds will result in a change in respective shareholders' percentage holdings of the total number of shares and votes in the Company. The above mentioned holdings do not take into account the settlement of outstanding preference shares and convertible bonds and the subsequent changes in shareholders' proportional holdings. Following the Offering, the shareholding of the Principal Shareholder will amount to a maximum of approximately 26.15 percent of the total number of shares and votes in the Company, taking into account the settlement of outstanding preference shares and convertible bonds and with assumption of full participation in the Offering, but excluding the shares that may be added through the exercise of the Principal Shareholder's option to, on demand of Pareto Securities, sell up to 2,677,500 additional shares, corresponding to 15 percent of the total number of shares covered by the Offering (the "**Over-allotment option**").

**B.7 Selected historical financial information**

The information below has, unless otherwise is expressly stated, been derived from the Company's audited annual accounts for the financial years which ended December 31, 2015, 2016 and 2017. They have been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general recommendation, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3) ("BFNAR") and have been audited by the Company's Auditor. Financial key ratios not defined in accordance with applicable accounting rules have not been audited by the auditor. Amounts in this section have been rounded off and aggregated and thus do not always sum up correctly.

**Consolidated income statement in summary**

SEK THOUSAND	2017 Audited	2016 Audited	2015 Audited
<b>Operating income</b>			
Net sales	790,919	672,724	750,523
<i>Ground maintenance and landscaping</i>	675,892	570,202 <sup>1)</sup>	–
<i>Sports grounds maintenance</i>	64,327	50,283 <sup>1)</sup>	–
<i>Arborist services</i>	50,699	52,239 <sup>1)</sup>	–
Change in stock of goods under manufacturing, finished goods and work for others in progress	11,515	7,597	–6,466
Other operating income	2,717	936	1,970
<b>Total operating income</b>	<b>805,150</b>	<b>681,257</b>	<b>746,027</b>
<b>Operating expenses</b>			
Merchandise and subcontractor expenses	–379,725	–348,396	–387,706
Other external expenses	–87,283	–53,675	–64,998
Personnel expenses	–276,421	–252,456	–275,662
Depreciation and Amortisation of goodwill	–46,587	–35,577	–35,828
Other operating expenses	–111	–1	–3,294
<b>Total operating expenses</b>	<b>–790,127</b>	<b>–690,105</b>	<b>–767,488</b>
<b>Operating profit</b>	<b>15,023</b>	<b>–8,848</b>	<b>–21,461</b>
<b>Financial items</b>			
Financial income	2,512	561	632
Financial expenses	–18,771	–12,725	–11,812
<b>Net financials</b>	<b>–16,259</b>	<b>–12,164</b>	<b>–11,180</b>
<b>Profit before tax</b>	<b>–1,235</b>	<b>–21,012</b>	<b>–32,641</b>
Income tax	–4,224	–53	–44
Other taxes	–776	–1,219	–1,773
<b>Net profit</b>	<b>–6,235</b>	<b>–22,284</b>	<b>–34,457</b>

1) The information is obtained from the Company's revised annual report for the financial year ending 31 December 2017.

B.7	Selected historical financial information, cont.	Consolidated balance sheet in summary		
	SEK THOUSAND	2017 Audited	2016 Audited	2015 Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
	Softwares and customer related intangible assets	2,525	954	98
	Goodwill	138,352	60,450	78,271
	<b>Total intangible assets</b>	<b>140,877</b>	<b>61,404</b>	<b>78,369</b>
<i>Tangible asset</i>				
	Development expenses on another's property	302	456	629
	Machinery and other technical facilities	64,152	41,210	48,175
	Inventory, tools and installations	17,363	1,401	1,470
	<b>Total tangible assets</b>	<b>81,817</b>	<b>43,067</b>	<b>50,275</b>
<i>Financial assets</i>				
	Deferred tax assets	16,626	17,346	18,515
	Other long-term receivables	111	27	6
	<b>Total financial assets</b>	<b>16,738</b>	<b>17,373</b>	<b>18,521</b>
<b>Non-current assets</b>				
<b>239,431</b>				
<b>121,844</b>				
<b>147,164</b>				
<b>Current assets</b>				
	Inventory	31,206	9,633	9,891
	Accounts receivable	184,515	117,098	110,437
	Current tax assets	1,493	479	1,430
	Other receivables	2,517	510	212
	Recognised revenue less progress billings	35,980	23,466	5,841
	Prepaid expenses and accrued income	24,513	15,893	34,120
	Cash and bank	33,735	6,115	3,890
	<b>Total current assets</b>	<b>313,960</b>	<b>173,194</b>	<b>165,821</b>
	<b>TOTAL ASSETS</b>	<b>553,390</b>	<b>295,037</b>	<b>312,985</b>
<b>EQUITY AND LIABILITIES</b>				
	Share capital	2,255	1,911	1,911
	Other capital contributions	219,380	190,969	190,045
	Other equity including the profit for the year	-216,291	-210,056	-187,811
	<b>Equity related to the parent company's shareholders</b>	<b>5,344</b>	<b>-17,176</b>	<b>4,144</b>
<b>Provisions</b>				
	Deferred tax liability	5,845	53	0
	Other provisions	2,642	3,410	2,358
	<b>Total provisions</b>	<b>8,487</b>	<b>3,463</b>	<b>2,358</b>
<b>Non-current liabilities</b>				
	Convertible loans	47,149	39,055	32,229
	Liabilities to credit institutions	51,076	3,807	7,047
	Liabilities from financial leases	45,884	37,984	42,720
	<b>Total non-current liabilities</b>	<b>144,109</b>	<b>80,846</b>	<b>81,996</b>
<b>Current liabilities</b>				
	Bank overdraft	43,482	30,261	20,821
	Liabilities to financial institutions	38,489	0	0
	Account payables	131,805	100,932	77,054
	Current tax liabilities	3,372	168	0
	Other liabilities	21,824	20,953	31,692
	Progress billings in excess of recognised revenue	16,492	9,522	8,801
	Accrued expenses and prepaid income	139,987	66,068	86,119
	<b>Total current liabilities</b>	<b>395,451</b>	<b>227,904</b>	<b>224,487</b>
	<b>Total liabilities</b>	<b>548,047</b>	<b>312,213</b>	<b>308,841</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>553,390</b>	<b>295,037</b>	<b>312,985</b>

B.7 Selected historical financial information, cont.	<b>Consolidated cash flow statement in summary</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	<b>SEK THOUSAND</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	Operating income	15,023	-8,848	-21,461
	Adjustments for non-cash items	41,875	36,084	34,841
	Received interest	2,512	561	632
	Paid interest	-9,016	-6,082	-11,812
	Paid tax	-1,382	-175	359
	<b>Cash flow from operating activities before changes in working capital</b>	<b>49,013</b>	<b>21,540</b>	<b>2,559</b>
	<b>Changes in working capital</b>			
	Decrease (+) / Increase (-) in account receivable from clients	0	-16,904	7,210
	Decrease (+) / Increase (-) in current receivables	-43,308	11,268	-3,542
	Decrease (+) / Increase (-) in current payables	23,283	-13,555	10,883
	Decrease (+) / Increase (-) in inventory	-8,177	258	-3,709
	<b>Cash flow from changes in working capital</b>	<b>-28,202</b>	<b>-18,933</b>	<b>10,842</b>
	<b>Cash flow from operating activities</b>	<b>20,811</b>	<b>2,607</b>	<b>13,401</b>
	<b>INVESTMENT ACTIVITIES</b>			
	Acquisition of subsidiaries	-75,768	0	-300
	Acquisition of tangible assets	-25,159	-12,350	-15,223
	Acquisition of intangible assets	-1,778	0	0
	Sale of tangible assets	3,135	2,656	1,840
	<b>Cash flow from investing activities</b>	<b>-99,570</b>	<b>-9,694</b>	<b>-13,683</b>
	<b>FINANCING ACTIVITIES</b>			
	New share issue	0	0	5,292
	New loan proceeds	101,574	7,751	22,648
	Repayment of loans	-8,416	-7,900	-23,701
	Disposals	0	21	18
	Changes in bank overdraft	13,221	9,440	-4,176
	<b>Cash flow from financing</b>	<b>106,379</b>	<b>9,312</b>	<b>82</b>
	<b>CASH FLOW FOR THE YEAR</b>	<b>27,620</b>	<b>2,225</b>	<b>-201</b>
	Cash and bank balances at the beginning of the period	6,115	3,889	4,090
	<b>Cash and bank balances at the end of the period</b>	<b>33,735</b>	<b>6,115</b>	<b>3,890</b>

**B.7 Selected historical financial information, cont.**
**Selected key ratios**

The tables below contain certain financial and operational key ratios that have not been defined by BFNAR. This section also presents alternative key ratios for the financial year 2014. The Company assesses that additional key ratios for the financial year 2014 are of importance to investors as they facilitate for evaluation of financial development over a long period of time. The Company uses these key ratios as a supplement to the key ratios as defined by BFNAR. The Group management uses these alternative key ratios not defined by BFNAR to monitor the underlying development of the Company's business and believes that they assist investors in understanding the Company's development from period to period. Since all companies do not calculate these key ratios in the same way, the manner in which the Company has chosen to calculate the alternative key ratios presented in the Prospectus means that such key ratios may not be comparable with similar measures presented by other companies. Note that, unless otherwise stated, these key ratios have not been audited and are not reviewed by the Company's auditor.

SEK THOUSAND	2017	2016	2015	2014
<b>SALES MEASURE</b>				
Net sales	790,919	672,724	750,523	774,915
Net sales growth, %	17.6	-10.4	-3.1	-
Organic net sales growth, %	1.6	-10.4	-3.1	-
Acquired growth in net sales, %	16.0	-	-	-
Adjusted net sales	791,773	674,934	714,425	702,583
Order backlog, SEK million	1,856	962	1,437	1,871
Change in order backlog, %	92.9	-33.1	-23.2	-
<b>INCOME MEASURE</b>				
EBITDA	61,610	26,729	14,367	25,830
EBITA	35,554	8,973	-3,641	3,805
Operating income (EBIT)	15,023	-8,848	-21,461	-13,985
Adjusted EBITDA	70,669	48,813	37,172	30,609
Adjusted EBITA	44,613	31,057	19,164	8,584
Adjusted EBIT	24,082	13,236	1,344	-9,206
<b>MARGIN MEASURE</b>				
EBITDA-marginal, %	7.7	3.9	1.9	3.3
EBITA-marginal, %	4.4	1.3	-0.5	0.5
EBIT-marginal, %	1.9	-1.3	-2.9	-1.8
Adjusted EBITDA-margin, %	8.8	7.1	5.2	4.2
Adjusted EBITA-margin, %	5.5	4.5	2.7	1.2
Adjusted EBIT-margin, %	3.0	1.9	0.2	-1.3
<b>CASH FLOW AND RETURN MEASURE</b>				
Operating cash flow	18,665	20,187	34,630	10,557
Operating cash conversion, %	26.4	41.4	93.2	34.5
<b>CAPITAL STRUCTURE</b>				
Working capital	-39,865	-34,338	-45,523	-27,443
Working capital in relation to net sales, %	-5.0	-5.1	-6.1	-3.5
Average working capital	142,752	95,444	122,085	139,451
Interest-bearing net debt	192,344 <sup>1)</sup>	104,992 <sup>1)</sup>	98,927 <sup>1)</sup>	110,143 <sup>1)</sup>
Interest-bearing net debt to adjusted EBITDA	2.7	2.2	2.7	3.6
Net debt/equity ratio	36.0	-6.1	23.9	3.6
CapEx ratio, %	3.2	1.8	2.1	3.7
<b>RETURN MEASURE</b>				
Adjusted return on average capital employed, %	31.3	32.5	15.7	6.2
Debt/equity ratio, %	1.0	-5.8	1.3	9.4
<b>EMPLOYEES</b>				
Average number of employees	589	419	463	494

1) Does not include accrued interest attributable to outstanding convertible bonds.

B.7	Selected historical financial information, cont.	Definitions of key ratios not defined by BFNAR		
		Key ratio	Definition	Purpose
		<b>Net sales</b>	Net sales include revenue related to the Company's sales.	Net sales is presented since it shows the Company's sales revenues.
		<b>Net sales growth</b>	Change in net sales as percentage of net sales during the comparison period.	Change in net sales is used as it is considered to contribute to investors' understanding of the Company's historical development.
		<b>Adjusted net sales</b>	Net sales adjusted for Stockholm Anläggning AB, attributable to projects within the market segment "Landscaping".	Stockholm Anläggning AB has been excluded since it will not be a part of Green Landscaping's operations going forward.
		<b>Adjusted total operating income</b>	Total operating income adjusted for Stockholm Anläggning, attributable to projects within the market segment "Landscaping".	Stockholm Anläggning has been excluded since it will not be a part of Green Landscaping's operations going forward.
		<b>Organic net sales growth</b>	Change in net sales in comparable units after adjustments relating to acquisition effects, as a percentage of net sales during the comparison period.	Organic net sales growth excludes the effects of changes in the Company's structure, which enables for a comparison of the historical development of net sales.
		<b>Acquired net sales growth</b>	Change in net sales growth as a percentage of net sales during the comparison period, driven by acquisitions. Acquired net sales is defined as net sales during the period that are attributable to companies acquired during the most recent 12-month period and for these companies only net sales up until twelve months after the acquisition date is considered as acquired.	Acquired net sales growth reflects the impact of the acquired units on net sales.
		<b>Order backlog</b>	The value of outstanding not yet accrued project revenues from received orders at the end of the period.	The order backlog is an indicator of the Company's outstanding project revenues from already received orders.
		<b>Changes in order backlog</b>	Percentage change in order backlog between the comparison periods.	Change in order backlog is stated by the Company as it is considered to contribute to investors' understanding of how the Company's order backlog developed historically.
		<b>EBIT-margin</b>	Operating profit (EBIT) divided by total operating income.	EBIT-margin is used to measure operating profitability.
		<b>EBITA</b>	Operating profit (EBIT) before amortisation and impairment of acquisition-related intangible assets.	EBITA is used since the Company believes it gives an overall view of profit generated by operating activities.
		<b>EBITA-margin</b>	Operating profit (EBIT) before amortisation and impairment of acquisition-related intangible fixed assets, as a percentage of total net sales.	EBITA-margin is used to measure operating profitability.
		<b>EBITDA</b>	Operating profit (EBIT) before depreciation, amortisation and impairment of acquisition-related intangible fixed assets.	EBITDA together with EBITA gives a whole picture of profit generated from the ongoing operations.
		<b>EBITDA-margin</b>	Operating profit (EBIT) before depreciation, amortisation and impairment of acquisition-related intangible fixed assets, as a percentage of total net sales.	EBITDA-margin is used to measure operating profitability.
		<b>Adjusted EBIT</b>	EBIT adjusted for items affecting comparability.	Adjusted EBIT increases the comparability of EBIT.
		<b>Adjusted EBIT-margin</b>	EBITA-margin adjusted for items affecting comparability, as percentage of adjusted total operating income.	Adjusted EBIT-margin is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.
		<b>Adjusted EBITA</b>	EBITA adjusted for items affecting comparability.	Adjusted EBITA increases the comparability of EBITA.
		<b>Adjusted EBITA-margin</b>	EBITA-margin adjusted for items affecting comparability, as percentage of adjusted total operating income.	Adjusted EBITA-margin is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.
		<b>Adjusted EBITDA</b>	EBITDA adjusted for items affecting comparability.	Adjusted EBITDA increases the comparability of EBITDA.
		<b>Adjusted EBITDA-margin</b>	EBITDA-margin adjusted for items affecting comparability, as percentage of adjusted total operating income.	Adjusted EBITDA-margin is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.

B.7	Selected historical financial information, cont.	Key ratio	Definition	Purpose
		<b>Operating cash flow</b>	Adjusted EBITDA minus net investments in tangible and intangible fixed assets as well as adjustments for cash flow from changes in working capital.	Operating cash flow is used to monitor the cash flow generated by the operating activities.
		<b>Operative cash conversion</b>	Operating cash flow divided by adjusted EBITDA.	Operative cash conversion is used to monitor the efficiency of the Company's management of ongoing investments and working capital.
		<b>Working capital</b>	Inventories, accounts receivables, other receivables, accrued non-invoiced income and prepaid expenses, minus accounts payables, invoiced but non-accumulated income, accrued expenses and prepaid income, provisions and other short-term liabilities.	Working capital is used to measure the Company's ability to meet short-term capital requirements.
		<b>Working capital in relation to net sales</b>	Working capital at the end of the period as a percentage of net sales.	Working capital in relation to net sales is used to measure the Company's working capital tie-up.
		<b>Average capital employed</b>	Average equity plus average interest-bearing net debt.	Average capital employed is used to show the Company's overall capital efficiency over the year.
		<b>Interest-bearing net debt</b>	Long-term and current interest-bearing liabilities less cash and cash equivalents and other current investments.	Interest-bearing net debt is used as a measure to show the Company's total indebtedness.
		<b>Average interest-bearing net debt</b>	The average of the interest-bearing liabilities at the beginning and the end of the year.	Average interest-bearing net debt is used as a measure to show the Company's total indebtedness over a year.
		<b>Average equity</b>	Average of the equity at the beginning and end of the year.	Average equity shows the equity position over a year.
		<b>Interest-bearing net debt to adjusted EBITDA</b>	Interest-bearing net debt in relation to adjusted EBITDA.	Interest-bearing net debt to adjusted EBITDA is used to show the financial risk and the Company's level of indebtedness.
		<b>Net indebtedness</b>	Interest-bearing net debt less cash and cash equivalents divided by total equity.	Net indebtedness is used to provide investors' with an understanding of the Company's financial position.
		<b>Adjusted return on average capital employed</b>	Adjusted EBITA in percentage of capital employed.	Adjusted return on capital employed has been included to provide investors with an understanding of the Company's profitability in relation to the capital employed in the operations during the year. Adjusted EBITA is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.
		<b>CAPEX ratio</b>	Investments in tangible assets as a percentage of adjusted net sales.	CAPEX ratio is used to show the Company's investment level with regards to tangible assets in relation to the Company's adjusted net sales.
		<b>Debt / equity ratio</b>	Equity as a percentage of total debt.	Debt/equity ratio is used to show the Company's financial stability and endurance.
		<b>Sales per employee</b>	Total operating income in relation to the average number of employees.	Sales per employee is used to show how effective the Company's employees contribute to the sales.

### Significant changes in Green Landscaping's financial situation during the period 1 January 2015 – 31 December 2017

#### Financial year 2017 compared to financial year 2016

The Group's net sales increased by SEK 118,195 thousand, or 17.6 percent, from SEK 672,724 thousand in 2016 to SEK 790,919 thousand in 2017. The increase in net sales was mainly attributable to the four acquisitions carried out in 2017 and contributed to an acquisition-driven net sales growth of 16 percent. Net sales increased organically by 1,6 percent in 2017.

The Group's operating profit increased by SEK 23,871 thousand from SEK –8,848 thousand in 2016 to SEK 15,023 thousand during 2017. The increased operating profit was mainly attributable to acquisitions conducted by Green Landscaping in 2017.

In 2017, operating income was charged with items affecting comparability of SEK 9,059 thousand, compared to SEK 22,084 thousand in 2016, mainly attributable to the divestment of the former district Stockholm Anläggning, termination of unprofitable contracts and severance pay for termination of staff and office leases.

<b>B.7</b>	<b>Selected historical financial information, cont.</b>	<p><b>Financial year 2016 compared to financial year 2015</b></p> <p>During the period 2015–2016, Green Landscape's net sales decreased by SEK 77,799 thousand or 10 percent from SEK 750,523 thousand in 2015 to SEK 672,724 thousand in 2016. The decrease in net sales was attributable to the Company closing unprofitable projects and focusing on creating stability and profitability rather than growth.</p> <p>During the period 2015–2016, the Group's operating profit increased by SEK 12,613 thousand, from SEK –21,461 thousand in 2015 to SEK –8,848 thousand in 2016. The increased operating profit was primarily attributable to increased efficiency of the Company's organisation in terms of lower personnel costs and reduced general expenses due to cuts of key features.</p> <p>In 2016, operating profit was charged with items affecting comparability of SEK 22,084 thousand, compared to SEK 22,805 in 2015, mainly attributable to divestment of the Group's former district Stockholm Anläggning, termination of unprofitable contracts and severance pay for termination of staff and lease contracts for offices.</p> <p><b>Significant events after 31 December 2017</b></p> <p>In connection with the Offer, the Company will carry out a conversion of preference shares and convertible bonds into ordinary shares.</p> <p>In addition to the above-mentioned events, no significant changes have occurred with regard to the Group's financial situation since December 31, 2017.</p>
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<b>B.8</b>	<b>Select pro forma financial statement</b>	<p><b>Pro forma income statement 1 January 2017 to 31 December 2017 in summary</b></p> <p>In 2017, Green Landscaping carried out four acquisitions, which individually are not of such a scope that any of the acquisitions give rise to preparing pro forma financial statement in the Prospectus. However, together, the acquisitions constitute an extensive gross change, which means that Green Landscaping has chosen to prepare pro forma financial statement on a voluntary basis. The purpose of the pro forma financial statement is to illustrate how companies acquired in 2017 would have impacted Green Landscaping's consolidated income statement (1 January 2017 to 31 December 2017) if they had been acquired on 1 January 2017. No pro forma balance sheet has been prepared since all acquisitions are included in the Company's balance sheet as of 31 December 2017. The pro forma information is intended only to inform and highlight the facts. The pro forma information is by nature intended to describe a hypothetical situation and thus does not serve to describe Green Landscaping's actual financial position or results. Furthermore, the pro forma information is not representative of how the results will look in the future. Investors should therefore be careful to put too much emphasis on the pro forma information.</p>
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**Pro forma income statement 1 January 2017 to 31 December 2017 in summary**

The following companies were acquired in 2017 and are included in pro forma financial statement.

	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited		
	Green Landscaping Group	Tranemo Trädgårds-tjänst AB	Björn-entreprenad AB	J E Mark & Anläggningsteknik AB	Svensk Jordelit AB	Pro forma adjustments for the business not taken over	Sum pro forma adjustments	Note	Pro forma Green Landscaping Group
SEK THOUSAND	2017-01-01–2017-12-31	2017-01-01–2017-06-30	2017-01-01–2017-06-30	2017-01-01–2017-11-30	2017-01-01–2017-11-30				2017-01-01–2017-12-31
<b>OPERATING INCOME</b>									
Net sales	790,919	38,580	28,513	74,980	87,251	–18,509	–4,877	d, e	996,856
Change in stock of goods under manufacturing, finished goods and work in progress	11,515	6,371	–	–	–1,910	200	–		16,176
Other operating income	2,717	605	–	–	–	–	–		3,321
<b>Total operating income</b>	<b>805,150</b>	<b>45,556</b>	<b>28,513</b>	<b>74,980</b>	<b>85,340</b>	<b>–18,309</b>	<b>–4,877</b>		<b>1,016,353</b>
<b>OPERATING EXPENSES</b>									
Merchandise and subcontractor expenses	–379,725	–19,002	–15,109	–42,748	–60,700	14,341	7,706	d, e	–495,236
Other external expenses	–87,283	–5,277	–3,781	–3,298	–6,826	1,386	147	b	–104,932
Personnel expenses	–276,421	–15,564	–8,368	–21,324	–10,214	2,278	–		–329,611
Depreciation and amortisation of tangible and intangible assets	–46,587	–3,363	–1,253	–	–159	–	–7,033	a	–58,395
Other operating expenses	–111	–	–	–	–	–	–		–111
<b>Total operating expenses</b>	<b>–790,127</b>	<b>–43,206</b>	<b>–28,511</b>	<b>–67,369</b>	<b>–77,899</b>	<b>18,005</b>	<b>821</b>		<b>–988,286</b>
<b>Operating profit</b>	<b>15,023</b>	<b>2,350</b>	<b>3</b>	<b>7,610</b>	<b>7,441</b>	<b>–304</b>	<b>–4,057</b>		<b>28,067</b>

**B.8** *Select pro forma financial information, cont.*

SEK THOUSAND	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Sum pro forma adjustments Note	Unaudited
	Green Landscaping Group	Tranemo Trädgårdstjänst	Björntreprenad	J E Mark & Anläggningsteknik	Svensk Jordelit	Pro forma adjustments for the business not taken over	Pro forma Green Landscaping Group		
	2017-01-01–2017-12-31	2017-01-01–2017-06-30	2017-01-01–2017-06-30	2017-01-01–2017-11-30	2017-01-01–2017-11-30		2017-01-01–2017-12-31		
<b>FINANCIAL ITEMS</b>									
Financial income	2,512	9	241	194	-105	-	-		2,851
Financial expenses	-18,771	-87	-66	-8	-161	0	-2,048	b, c	-21,141
<b>Net financials</b>	<b>-16,259</b>	<b>-78</b>	<b>176</b>	<b>186</b>	<b>-266</b>	<b>0</b>	<b>-2,048</b>		<b>-18,290</b>
<b>Profit before tax</b>	<b>-1,235</b>	<b>2,272</b>	<b>178</b>	<b>7,796</b>	<b>7,175</b>	<b>-304</b>	<b>-6,105</b>		<b>9,776</b>
Income tax	-4,224	-500	-39	-1,715	-1,578	67	-152	b, c, d	-8,142
Other taxes	-776	-	-	-	-	-	-		-776
<b>Net profit</b>	<b>-6,235</b>	<b>1,772</b>	<b>139</b>	<b>6,081</b>	<b>5,596</b>	<b>-237</b>	<b>-6,257</b>		<b>859</b>

**Notes to pro forma income statement 1 Januari 2017 to 31 December 2017**

- a) Depreciation of goodwill is adjusted to extend throughout the whole twelve-month period (from 1 December until the date of each acquisition) given a depreciation period of 10 years totaling SEK -6,797.4 thousand (Tranemo Trädgårdstjänst, 6 months: SEK -661.9 thousand, Björntreprenad, 6 months: SEK -2,056.7 thousand, J E Mark, 11 months: SEK -1,225.7 thousand and Jordelit, 11 months: SEK -2,853.1 thousand). The total goodwill depreciation for the year in the pro forma result is SEK -27,328 thousand. Pro forma adjustments have lasting effect.

Acquisitions, SEK thousand	Goodwill/ acquisition	Depreciation per month	Depreciation during the pro forma period
Tranemo Trädgårdstjänst	13,238	-110	-662
Björntreprenad	41,133	-343	-2,057
J E Mark	13,371	-111	-1,226
Jordelit	31,125	-259	-2,853
<b>Total</b>	<b>98,867</b>	<b>-824</b>	<b>-6,797</b>

- b) Leasing in Jordelit of ten vehicles (where one vehicle has been leased since 2017-01-01 and the other nine, which are of the same model has been leased since 2017-10-01) have been classified as financial leasing at group level, which for the pro forma period reduces other external costs by SEK 147.2 thousand and increases depreciation by SEK -235.2 thousand and interest expenses by SEK -9.4 thousand. In addition, a tax effect of SEK +21.4 thousand is added. Pro forma adjustments have lasting effect.

Leasing, SEK thousand	Start date	Interest during pro forma period	Adjusted fee during pro forma period	Adjusted fee during pro forma period
Vehicle 1	2017-01-01	-7	69	-106
Vehicle 2–10	2017-10-01	-3	79	-129
<b>Total</b>		<b>-9</b>	<b>147</b>	<b>-235</b>

- c) Refers to interest expenses for the new loan financing in Green Landscaping which adversely affects the income statement. Bank loans runs with variable interest rates on the development of the three-month STIBOR in 2017 with an additional 4.25 percent. The interest rate on the vendor note is set at 8 percent. The interest rate for the period January 1 – June 30, 2017 relating to the financing of the acquisitions of Tranemo Trädgårdstjänst and Björntreprenad is adjusted by SEK -882 thousand for the bank loan (SEK 41,500 thousand) and SEK -300 thousand for the reverse loan (SEK 7,500 Thousand), ie a total of SEK -1,182 thousand. The interest rate for the period 1 January to 30 November 2017 for the financing of J E Mark and Jordelit is adjusted by -857 TSEK for the bank loan (SEK 22,000 thousand). In total, the pro forma the interest costs of the new financing will amount to -2,039 thousand for 2017 and in addition to this a tax effect of SEK 448.6 thousand (refer to section "Financing of acquisitions"). Pro forma adjustments have lasting effect.
- d) Change of accounting principles from completion method to percentage-of-completion method for fixed-price contracts, in accordance with the Group's accounting principles (Björntreprenad SEK +3,224.7 thousand; J E Mark SEK -396.0 thousand) including related tax effects (Björntreprenad SEK -709.4 thousand; J E Mark SEK +87.1 thousand.) After the acquisition, the Company reported revenues according to the percentage-of-completion, which is why the effect is permanent.
- e) Elimination of intra-group transactions carried out before the acquisition of the former subsidiary GML Sport AB and the acquired company Jordelit with SEK -1,888.3 thousand. The pro forma adjustment has a permanent effect to the extent that the companies have intra-group transactions with each other in the future.

**B.8** *Select pro forma financial information, cont.* **Supplementary information to pro forma income statement January 1, 2017 to December 31, 2017** Green Landscaping monitors its business in three segments. Pro forma figures have been prepared by segment to show how sales could have been if all companies had been acquired and adopted as of 1 January 2017. The underlying figures are derived from Green Landscaping's revised annual report and from the unaudited internal reports of the acquired Companies.

**2017-01-01–2017-12-31**

Segment	Net sales	Change in stock and ongoing work of behalf of others	Other operating revenues	Sum operating revenues
Arborist services	50,699	–	833	51,532
Grounds maintenance	814,976	10,329	2,380	827,685
Sports grounds maintenance	131,180	5,847	109	137,136
<b>Total</b>	<b>996,856</b>	<b>16,176</b>	<b>3,321</b>	<b>1,016,353</b>

The tables below shows pro forma key ratios with adjustments for items affecting comparability

**Proforma key ratios**

SEK THOUSAND	2017 proforma
<b>SALES MEASURE</b>	
Net sales pro forma	996,856
Adjusted net sales pro forma	997,710
<b>INCOME MEASURE</b>	
EBITDA pro forma	86,462
EBITA pro forma	55,395
Operating profit (EBIT) pro forma	28,067
Adjusted EBITDA pro forma	95,521
Adjusted EBITA pro forma	64,454
Adjusted EBIT pro forma	37,126
<b>MARGIN MESAURE</b>	
EBITDA-margin pro forma, %	8.5
EBITA-margin pro forma, %	5.5
EBIT-margin pro forma, %	2.8
Adjusted EBITDA-margin pro forma, %	9.4
Adjusted EBITA-margin pro forma, %	6.3
Adjusted EBIT-margin pro forma, %	3.6
<b>RETURN MEASURE</b>	
Calculation of adjusted return on average capital employed pro forma	
<b>(A) Adjusted EBITA pro forma</b>	<b>64,454</b>
Shareholder equity at the beginning of the period pro forma	35,967
Shareholder equity at the end of the period pro forma	5,344
<b>(B) Average shareholder equity pro forma</b>	<b>20,655</b>
Interest-bearing net debt at the beginning of the period pro forma	111,368
Interest-bearing net debt at the end of the period pro forma	192,344
<b>(C) Average interest-bearing net debt pro forma</b>	<b>151,856</b>
<b>(B+C) Average capital employed pro forma</b>	<b>172,511</b>
<b>(A/(B+C)) Adjusted return on average capital employed pro forma, %</b>	<b>37.4</b>
<b>EMPLOYEES</b>	
Calculation of total operating income per employee pro forma	1,726

**B.9** *Earnings forecast* Not applicable. No earnings forecast or calculation of estimated results is presented in the Prospectus.

**B.10** *Observations in the audit report* Not applicable. There are no remarks in the audit reports for the period as covered by the historical financial information.

**B.11** *Insufficient working capital* The board of directors estimates that the working capital is sufficient for the Group's current needs during the next twelve-month period following the date of the Prospectus. Working capital refers here to Green Landscaping's ability to access liquid funds in order to fulfill its payment obligations as they are due to payment.

## SECTION C – SECURITIES

<b>C.1</b>	<i>Offered securities</i>	The Offering consists of ordinary shares in the Company. ISIN-code is SE0010985028 and the ticker on Nasdaq First North will be GREEN.
<b>C.2</b>	<i>Currency</i>	The ordinary shares are denominated in SEK.
<b>C.3</b>	<i>Total number of shares and quota value</i>	<p>As of the day of the Prospectus, the Company's registered share capital amounts to SEK 2,254,560, divided between 33,818,400 shares (of which 7,266,150 are ordinary shares of series A and 26,552,250 are preference shares of different series), with a quota value of approximately SEK 0.067 per share. The shares are issued in accordance with Swedish law and all shares are fully paid.</p> <p>In conjunction with the listing of the Company's shares on Nasdaq First North, all preference shares will be converted into ordinary shares. Following the settlement of the Company's preference shares, there will thus be only one class of shares in the Company, ordinary shares. The settlement will also include a reduction of the share capital with a redemption of excess preference shares that are not converted into ordinary shares and a bonus issue without the issue of new shares to compensate for the share capital reduction and to adjust the quota value according to the new number of shares. The Company also has outstanding convertible bonds in various series which will be converted into ordinary shares in connection with listing on Nasdaq First North.</p> <p>The settlement of the Company's preference shares (including reduction of share capital and bonus issue) and settlement of outstanding convertible bonds will reduce the total number of shares from 33,818,400 to 31,927,480 and increase the Company's share capital from SEK 2,254,560 to approximately SEK 2,266,851.<sup>1)</sup></p> <p>1) Not Including shares from the new issue of shares in the Offering.</p>
<b>C.4</b>	<i>Rights attached to the securities</i>	The Company's shares are issued in accordance with Swedish law and the shareholders' rights associated with the shares can only be amended in accordance with the Swedish Companies Act. Shareholders are entitled to vote for their full number of shares and each share entitles the holder to one vote at general meeting. As of the day of the Prospectus, there are both ordinary shares of series A and preference shares of different series. Preference shares have pre-emptive rights to all forms of dividends from the Company to the shareholders up to a certain amount calculated according to a special formula and enumeration factor based on the issue price and the last possible time of payment. Thereafter, all right to dividends accrues to ordinary shares of series A. In conjunction with the listing of the Company's shares on Nasdaq First North, the current share structure will be settled, after which the Company will only have one class of shares, within which all shares carry equal rights. This means, among other things, that all shares in the Company will give equal rights to dividends, the Company's profits and Company's assets and surplus in the event of liquidation. The shares entitle the holder to a dividend for the first time on the record date following the completion of the Offering.
<b>C.5</b>	<i>Restrictions on transferability</i>	Not applicable. There are no restrictions on the free transferability of the Company's shares.
<b>C.6</b>	<i>Admission to trading on regulated market</i>	Not applicable. The Company's board of directors has applied for the Company's shares to be admitted to trading on Nasdaq First North, a multilateral trading platform (MTF) that does not have the same legal status as a regulated market.
<b>C.7</b>	<i>Dividend policy</i>	The goal is that approximately 40 percent of the period's result shall be distributed as dividends. The dividend proposal will take into account Green Landscaping's long-term development potential, financial position and investment needs.

## SECTION D – RISKS

<b>D.1</b>	<i>Key risks related to the issuer and the business</i>	<p>There are a number of factors that may adversely affect the Company's business, financial position and future results. Some of the risks are related to the Company, while other risks do not have any particular connection with the Company. There may also be risks and uncertainties that the Company is currently unaware of, or assesses as immaterial, that may prove to be material. Disclosed risks are not produced in priority order or in any other special order. The risks below are deemed to include the main known key risks to the Company's future development and they may all adversely affect the Company's business, financial position and results.</p> <ul style="list-style-type: none"> <li>▶ Green Landscaping is dependent on senior management and other qualified staff at subsidiary and regional level. There is a risk that the Group will not be able to identify, attract or retain knowledgeable personnel, and especially as regards senior management at both subsidiaries and Group level, which is important for the Company's future success and growth.</li> <li>▶ The Company's profitability in different projects depends on the amount of work and expenses incurred in relation to remuneration. Risks related to failed calculation, project management and work management including cost management and optimisation in project implementation with risk of lower profitability than calculated, delays and increased costs, as well as shortcomings in the performance of services as a result, with the risk of contractual penalties and warranty liability.</li> <li>▶ The risk of increased competition in the industry that can lead to price pressure, lower profit margins, reduced market share and increased competition for qualified personnel.</li> <li>▶ Risks related to competitive and resource-intensive tender processes that do not lead to award of contracts or that awarded contracts are appealed or terminated. Tender requests often take on time and financial resources and there is always a risk that the Company will not be awarded the contract. Furthermore, contracts received after procurement may be appealed or terminated due to actual or alleged procedural errors during the procurement process.</li> <li>▶ Changed market conditions, economic decline and changed trends, such as the degree of outsourcing of services in the public sector can lead to reduced demand for the Company's services in the future.</li> <li>▶ Risks related to continued expansion through acquisitions such as the risk of difficulty finding or acquiring appropriate target companies on favorable terms, business and company-specific risks related to acquired companies (for example misjudgments in terms of value and prospects and unexpected costs due to unknown or misjudged risks), reduced liquidity and potential dilution effects for the Company's shareholders in acquisition financing through issues of shares or related instruments and the risk of need for new loans.</li> <li>▶ Risks for goodwill impairment related to completed acquisitions, inter alia because accounting of impairment include an uncertainty since the Company has to make forward-looking assumptions in calculating the recoverable amount, which are based, inter alia, on assumptions about future cash flow.</li> <li>▶ Risks related to financing, including the risk of immediate termination of existing financing as a result of non-compliance with financial covenants or other obligations, that funding cannot be obtained or renewed, or can only be obtained or renewed at heavily increased costs.</li> <li>▶ Risks related to violations of laws and regulations relating to working conditions and environment, as well as resource-intensive disputes.</li> <li>▶ The risk that the Swedish Tax Agency would consider that shares in Green Landscaping were acquired to a value below market value in connection with reinvestments and investments by staff, with obligation for the Company to pay social fees as a consequence.</li> </ul>
<b>D.3</b>	<i>Key risks related to the securities</i>	<p>An investment in shares is always associated with risks. Such risks may cause the share price to fall and as a result investors may lose all or part of their investment. Disclosed risks are not produced in priority order or in any other special order. The risks below are deemed to include the known key risks related to the Company's shares.</p> <ul style="list-style-type: none"> <li>▶ The risk that an active and liquid market for the Company's shares will not evolve or remain and that the Offering price determined by the board of directors and the Principal Shareholder in consultation with Pareto Securities may not necessarily reflect the price on which investors on the market will be willing to buy and sell the shares to after the offer.</li> <li>▶ There is a possibility that the Principal Shareholder FSN Capital III, will continue to have a significant influence on issues that are subject to approval by the shareholders in the Company, including continued influence over the Company's senior management and operations. There is thus a risk that the Principal Shareholder's interests may differ in whole or in part from the interests of other shareholders.</li> <li>▶ The risk that future sales of large quantities of the Company's shares after the end of the lock-up periods or otherwise, may adversely affect the share price.</li> <li>▶ Risk of dilution of shareholding and market price impact may be due to subsequent new issues of shares or equity-related instruments.</li> <li>▶ Any future payouts of dividends and the size of such dividends depend on factors such as the Company's future earnings, financial position, cash flow, working capital needs and investment needs, including financing of acquisition opportunities. There is a risk of no future dividends or that future dividends are less than expected.</li> <li>▶ Risk of non-assured share acquisition commitments are not being fulfilled.</li> </ul>

## SECTION E – THE OFFERING

<b>E.1</b> <i>Net proceeds and expenses</i>	Based on the assumption of full subscription in the Offering, the Company will receive approximately SEK 75 million excluding costs attributable to the Offering. The Company's costs attributable to the Offering are estimated to amount to approximately SEK 16 million. Such costs are mainly attributable to expenses for auditors, lawyers, printing of the Prospectus, costs relating to presentations etc. Based on the assumption of full subscription in the new issue of shares in the Offering, the Company will thus receive net proceeds of SEK 59 million.
<b>E.2a</b> <i>Reasons for the Offering and use of proceeds</i>	<p>The Company's board of directors and management is of the opinion that the Offering and listing of the Company's shares will promote the Company's continued growth and development, among other things by expanding the Company's financing options and establishing access to Swedish and international capital markets. As a result, more funding sources will be made available to support the Company's acquisition strategy and support the Company's ambition to play a central role in the ongoing consolidation of the outdoor environment industry. A listing brings increased awareness as well as a seal of quality that the Company considers to be beneficial in customer relations to attract and maintain staff, in tender processes, in relation to suppliers and, not least, to all people that spend time in the outdoor environments created and maintained by Green Landscaping.</p> <p>The Company intends to use the net proceeds from the Offering of approximately SEK 59 million to strengthen the Company's balance sheet and thus creating conditions for Green Landscaping to continue to make selective acquisitions in line with its acquisition strategy.</p>
<b>E.3</b> <i>Terms and conditions of the Offering</i>	<p><b>The Offering:</b> The Offering includes up to 3,571,429 newly issued shares offered by the Company and no more than 14,278,571 existing shares offered by Selling Shareholders. The Offering is aimed at both the public in Sweden and institutional investors in Sweden and internationally.</p> <p><b>Over-allotment option:</b> In order to cover any over-allotment in the Offering, the Principal Shareholder has undertaken, at the request of Pareto Securities, to sell no more than 2,677,500 existing shares, corresponding to no more than 15 percent of the total number of shares covered by the Offering. The Over-allotment option can be exercised fully or partially for 30 calendar days from the first day of trading in the Company's shares on Nasdaq First North. The price of shares in the Over-allotment option will be the same as the offering price.</p> <p><b>Offering price:</b> The offering price is determined to SEK 21 per share.</p> <p><b>Application period:</b> The application period last 13–21 March 2018 for the public in Sweden and 13–22 March 2018 for institutional investors.</p> <p><b>Application:</b> Application for acquisition of shares within the Offering to the public in Sweden shall concern no less than 300 shares and no more than 47,000 shares, in even lots of 10 shares. The application must be made in accordance with specific instructions from Pareto Securities or Avanza. Application from institutional investors in Sweden and internationally shall be in accordance with specific instructions from Pareto Securities.</p> <p><b>Allotment:</b> Decision on the allotment of shares is taken by the Company's board of directors in consultation with Pareto Securities, with the aim of achieving a good institutional ownership base and widespread public disclosure to enable regular and liquid trading of the Company's shares on Nasdaq First North.</p> <p><b>Settlement date:</b> Scheduled settlement date is 27 March 2018.</p> <p><b>Conditions for the Offering:</b> The Offering is conditional upon the Company and Pareto Securities entering into an agreement on placement of shares in the Company around 16 March 2018, and that certain terms of the agreement are fulfilled and not terminated.</p>
<b>E.4</b> <i>Interests and conflict of interests</i>	Pareto Securities is the Company's financial advisor in connection with the Offering and listing on Nasdaq First North. The total remuneration for financial advisors is partly dependent on the outcome of the Offering. Pareto Securities has provided, and may in future provide, various services to the Company and the Principal Shareholder for which they have received, and may receive, remuneration.
<b>E.5</b> <i>Selling shareholders and lock-up-agreements</i>	Selling Shareholders will sell no more than 14,278,571 shares in the Company based on the assumption of full participation in the Offering, excluding the Over-allotment option. Through the Placing Agreement expected to be effected on 22 March 2018, all existing shareholders of the Company will undertake, with certain customary conditions and exceptions, to not sell or otherwise transfer their respective holdings for a certain period of time after the first day of trading of the Company's shares, on Nasdaq First North. The so-called lock-up period will be twelve months for shareholding board members, senior management and employees in the Company. For The Principal Shareholder and other shareholders, the lock-up period will be six months. Exceptions to such transfer restrictions relate to, for example, divestments within the Offering, acceptance of offer submitted to all shareholders in the Company in accordance with Swedish takeover rules on terms that treat all such shareholders equal, or submission of unconditional commitment to accept such offer, sale or other divestment of shares as a result of an offer from the Company for the purchase of own shares that are given on equal terms to all shareholders in the Company or where transfer of shares is required by law, authority or court requirements. In addition, Pareto Securities may grant exceptions to the relevant commitments in which situations the shares may be offered for sale. After the respective lock-up period has expired, the shareholders affected by lock-up will be free to sell their shares.
<b>E.6</b> <i>Dilution</i>	In connection with the Offering, outstanding preference shares will be settled through a combined conversion of preference shares into ordinary shares and a directed redemption of preference shares. The settlement of outstanding preference shares will result in a reduction in the total number of shares in the Company from 33,818,400 to 26,436,396. The Company has outstanding convertible bonds amounting to approximately SEK 94.5 million including accrued interest, which will be converted to a total of 5,491,084 ordinary shares in the Company shortly before the Offering is completed. Hence, the number of ordinary shares in the Company will increase by 5,491,084, from 26,436,396 (taking into account the above-mentioned settlement of outstanding preference shares) to 31,927,480 shares, corresponding to a dilution effect of approximately 17.2 percent. Upon full participation in the Offering, the number of ordinary shares in the Company will increase by 3,571,429 shares through the new issue of shares in the Offering. Assuming full subscription to the new share issue in the Offering the number of shares in the Company will increase from 31,927,480 (taking into account the above-mentioned settlement of preference shares and conversion of convertible bonds into ordinary shares) to 35,498,909 shares, corresponding to a dilution effect of approximately 10.0 percent.
<b>E.7</b> <i>Expenses imposed on the investors</i>	Not applicable. No commission will be charged.

# RISK FACTORS

*An investment in the Company's shares is associated with risks. Green Landscaping's business is affected, and may be affected, by a number of factors which are not possible for the Company to control, either in part or at all. These factors could have an adverse impact on the Company's business, financial position and results in the future, or could lead to a decrease in the share price and, as a result thereof, investors may lose their investment, in part or in full. Some of the risks are related to the Company, while other risks are external factors outside of the Company's control. Any investor considering an investment in the Company's shares should, before deciding on whether to make an investment, carefully analyse the risks factors described below as well as other information in the Prospectus. The risks are not described in any order of priority, and the Company may be subject to other risks than those described. The risks are not intended to be exhaustive; a complete evaluation must contain all information referred to in the Prospectus (including information found outside the Prospectus) as well as general business analysis. Moreover, there may be other risks and uncertainties that the Company is currently not aware of, or deems to be immaterial, that may later prove to be material. The Prospectus contains forward-looking statements which may be affected by future events, risks and uncertainties. The Company's actual results may deviate significantly from what is stated in forward-looking statements due to several factors, including, but not limited to, the risks described below.*

## **RISKS RELATED TO THE BUSINESS AND THE MARKET**

### **Decentralisation and dependence on key employees**

Green Landscaping's business model is based on decentralisation in the sense that the business is conducted within each unit and with only general management at Group level.

Green Landscaping is further dependent on senior management and other qualified staff at subsidiary and regional level. The CEO of each unit also has far-reaching own control and conducts the business together with the management team responsible for customers, sales, staff and results. Furthermore, potential private sector contracts are identified at regional management level, a process that depends on local knowledge and good local customer relations. The Company is also dependent on the work of other employees, their respective local customer relationships, as well as the skills and knowledge they have in relation to specific regions. Green Landscaping is also dependent on senior management at Group level. Current Group Management has broad expertise and knowledge in the Group's business sector as well as the Group's operations.

There is a risk that the Group will not be able to identify or attract the right personnel or that they cannot be retained in the future. Key employees may start working with competing companies or launch their own competing businesses. The Company's ability to recruit and retain qualified personnel is crucial to its future success and growth. If the Group is unable to maintain its ability to identify, attract and retain qualified personnel, it could have an adverse effect on the Company's business, financial position and results.

### **Competitive market**

Green Landscaping operates in an industry that is exposed to competition. The Company's future competitive opportunities depend, inter alia, on the Company's ability to anticipate changes and respond to existing and future market needs. Increased competition in the industry can lead to price pressure, lower profit margins, reduced market share and increased competition for qualified personnel. Green Landscaping can also be forced to make costly investments, restructurings or price cuts to adapt to a new competitive situation. Such factors and other consequences of increased competition may have a negative impact on the Company's business, financial position and results.

### **Public tenders**

Green Landscaping participates in competitive bidding processes in the form of invitations to tender or equivalent tendering procedures in public procurement. By 2017, approximately 60 percent of the Company's net sales came from customers within the public sector, such as municipalities, state authorities and public property and housing companies. Tender requests often require significant time and financial resources and there is always a risk that Green Landscaping will not be awarded the contract. Furthermore, agreements obtained after public procurement may be appealed or terminated due to actual or alleged procedural errors during the procurement process. Unsuccessful tender processes may have a material adverse effect on the Company's business, financial position and results.

**Contracts and projects**

The Company applies a contract-based business model consisting of fixed-revenue service contracts and merchant sales. The profitability of different contracts and projects depends mainly on amount of work performed and cost for materials and subcontractors in relation to remuneration. Estimates of time and cost are often difficult to do and unforeseen or changed conditions can lead to increased costs caused by factors that may be entirely or partially outside the Group's control, which is why when applying a fixed price there is always a risk that the profitability of a project will be lower than calculated. Unforeseen or changed circumstances may also lead to delays in the performance of the Company's services which, in addition, where Green Landscaping carries the risk of changing circumstances may result in contractual penalties.

In addition, the Company is dependent on qualified personnel for the calculation of costs associated with various contracts and projects as well as project management including cost management and optimisation in the completion and implementation. Miscalculations, changed conditions and shortcomings in project management, as well as other factors mentioned may have a negative impact on the Company's business, financial position and results.

**Growth and continued profitability**

The Company's future growth and profitability is dependent on a number of factors such as geographical expansion and continued demand for the Company's services. Future demand for the Company's services is furthermore dependent on housing construction, as housing construction leads to increased demand for services for parks and outdoor environments. Changes in market conditions, negative macro economic development and changes in trends, for example in terms of outsourcing of public sector services may lead to reduced demand for the Company's services in the future. Reduced demand for Company services in the future would adversely affect the Company's future growth and profitability.

**Subcontractors**

Green Landscaping hires from time to time subcontractors as a complement to their own staff. There is a risk that the Company's subcontractors will not deliver on time, which could lead to increased costs and lower profitability. There is also a risk of lacking quality in services performed by subcontractors, which may adversely affect the Company's relationship with its customers. Furthermore, there is a risk that subcontractors fail to comply with laws and regulations that are applicable to the Company's business, which may lead to the Company being subject to sanctions, penalties and damage liabilities. Poor service performance from current or future subcontractors' may adversely affect the Company's business, financial position and results.

**Risks related to continued expansion through acquisitions**

Green Landscaping works on the basis of an active acquisition strategy and a large part of Green Landscaping's growth is also in the future expected to consist of both strategic and opportunistic acquisitions, inter alia in order to expand the business and enter new markets. There is a risk that such a strategy will not have the desired effect. Risks can include difficulties in finding suitable target companies, or if found, that it is not possible to acquire the target company at favorable terms and conditions or at all. There may also be competitors with significant financial resources interested in the same target companies and the risk of such competition could increase in the event that the market is consolidated. Increased competition can also lead to increased costs compared to historical acquisitions. Future acquisitions of companies or businesses can entail both business and company-specific risks, such as miscalculations with respect to value and future prospects and unexpected costs due to unknown obligations. Also risks identified and taken into account prior to each acquisition can, however, be misjudged and have an adverse impact as regards to the value and prospects and cause unexpected costs or omissions in claims for sellers' fulfilment of contractual obligations. There is also a risk of costly or failed integration processes in conjunction with acquisitions. Failed integration in terms of lacking quality in an acquired company may affect the reputation of the whole Group. Any major future acquisitions may also reduce Green Landscaping's liquidity and result in dilutive effects for the Company's shareholders through the issuance of shares or related instruments as well as lead to raising of new loans. If Green Landscaping cannot control its growth in an effective way, this may affect the Company's competitiveness and lead to an adverse effect on the Company's business, financial position and results.

**Weather and seasonal variation**

Green Landscaping's operations are to some extent dependent on weather and seasonal variations. For example, the Company may suffer from higher costs than estimated if the growing season begins unusually early or goes on unusually late. In addition, hot and humid weather can cause green area maintenance costs to increase. Weather conditions and seasonal variations that deviate from normal can thus have a negative impact on the Company's operations and results.

**Disruptions in the business due to work stoppage and strikes**

Green Landscaping is active in an industry where many employees are union affiliated and disputes between the social partners occur. The Company may therefore suffer from strikes or other disturbances in the business, or threat of strikes or disturbances in the business. If conflict measures, or threats of such measures, are taken, this could have a negative impact on Green Landscaping's brand, business, financial position and results.

**A large part of the group's assets consist of goodwill**

As a result of the Group's growth through acquisitions, intangible assets in the form of goodwill constitute a large part of the Group's total assets (per 31 December 2017 Green Landscaping reported goodwill in the amount of SEK 138,352 thousand in its balance sheet). Intangible assets arising from previous acquisitions are subject to impairment tests, which can result in higher impairment costs depending on the amount of goodwill reported as part of the transaction and how the acquired company performs in relation to expectations. Reporting impairments includes uncertainty as the Company must make forward-looking assumptions calculating the recoverable amount based inter alia on assumptions about future cash flows. A negative trend in the business activities may force the Company to report impairment equal to all or a part of the booked value and if impairment must be reported, this may have a material adverse effect on the Company's business, financial position and results.

**Refinancing risk**

Refinancing risk refers to the risk that financing cannot be obtained or renewed on the expiry of its term, or can only be obtained or renewed at significantly increased costs. The Company primarily finances its operations through equity, raising of loans and the Group's own cash flow. There is a risk that additional capital cannot be obtained, or can only be obtained at unfavorable terms and conditions. Green Landscaping may in the future become in breach of financial covenants and other obligations in the credit and loan agreements that constitute grounds for termination due to the general economic climate or disturbances in the capital and / or credit markets. If the Company fails to obtain necessary financing in the future, or if financing only can be obtained to terms and conditions that are less favorable to the Company, it may have an adverse effect on the Company's business, financial position and results.

**Risks of accidents and claims for compensation**

Green Landscaping's business is subject to extensive laws and regulations regarding safety and work environment and is exposed to the risks that are naturally occurring in the performance of the Company's services. This entails that the Group's employees must comply with strict safety regulations. If the Group, its employees, its subcontractors or other third parties, fails to comply with safety regulations, health and environmental standards, or in any other way fails in the performance of the Company's services, this can cause personal injury, death, damage to property and equipment, business interruption, and similar consequences which in turn can lead to bad publicity, claims for damages and, in extreme cases, criminal liability. These risks and other labour protection-, health- and safety risks entail responsibility exposures and bad publicity that may have an adverse effect on the Company's business, financial position and results.

**Violations of laws, regulations and standards**

Violations of laws, regulations, also including laws regarding corruption and illegal competition, and standards can have long-term impact on Green Landscaping's trademark and its business, financial position and results. Green Landscaping's business is affected by a number of different laws and regulations concerning e.g. working conditions and environment and is subject to various industry standards. Non-compliance could lead to Green Landscaping being subject to major damage liability or being required to change its operations. Furthermore, additional requirements in the form of new laws, regulations and standards could increase Green Landscaping's costs, which could have an adverse effect on the Company's business, financial position and results.

**Disputes and legal proceedings**

Green Landscaping is active in an industry where disputes with both clients and subcontractors occur. The Group may therefore in the context of its continued operations from time be involved in disputes. Such disputes may, for example, imply payment and/or correction of work and other possible consequences in connection with deficiency in providing services. In addition, the Group may be subject to outstanding claims and other situations that may force the Group to take legal action.

**Product liability**

Within the Group, certain sales of green area products are carried out, such as fertilisers, liner paints, spreaders, vehicles and more. Sales of products imply a risk of product liability in case the Company's products cause injury to people or property and claims due to product liability could adversely affect the Company's operations, financial position and results.

**Insurance risks**

There is a risk that losses due to damages may arise and claims may be presented going beyond what is covered by current insurance coverage. Even if such a claim is fully covered by the Company's current insurance, the Group's premiums to the insurance company may increase as a result of insurance claims. Such factors may have an adverse effect on the Company's business, financial position and results.

**Currency risks**

The Company's accounting and functional currency is SEK. The Company is planning an expansion to the Norwegian, Danish and/or Finnish markets, which may cause the Company to be exposed to risks from an accounting perspective, related to conversion of foreign subsidiaries' income statements and balance sheets in NOK in Norway, DKK in Denmark and/or EUR in Finland into SEK. Increases and decreases in the Swedish currency in relation to other currencies thus affect the consolidated financial statements even if the value has not changed in the local currency. The Group has and will continue to enter into agreements that are

subject to payment in currencies other than SEK. The Company is consequently subject to risks related to exchange rate fluctuations, such as when the exchange rate changes from the time a contract is entered into until payment under the contract is made. The costs of exchanging currencies may also be significant. The Group does not currently protect itself against risks associated with foreign exchange rates and these risks may, if they arise, have an adverse effect on the Company's business, financial position and results.

### **Tax risks arising from re-investment and investment made by employees**

Green Landscaping has in conjunction with acquisitions of companies carried out a number of new share issues, e.g. to enable ownership for key employees and re-investments of the sellers of acquired companies with continued employment within the Group after the acquisition. The new share issues have been resolved by the board of directors at estimated market value, but there has been no valuation by an independent third party. If the Swedish Tax Authority (Sw. *Skatteverket*) would be of the opinion that the shares were acquired at a value below market value, there is a risk that the difference is deemed to be a benefit for the purchaser entailing an obligation for Green Landscaping to pay social fees on the amount. There is also a risk that the Swedish Tax Authority in such a situation, assess that tax surcharge shall be added to the social security costs. This may have an adverse effect on the Company's business, financial position and results.

### **Other tax related risks**

Green Landscaping conducts its business in accordance with its perception and interpretation of relevant tax legislation and tax treaties and other applicable rules. However, there is a risk that the relevant tax authority does not agree with the Group's perception and interpretation of relevant laws, tax treaties, regulations and tax authorities' precedence. The Company's current tax situation may therefore be negatively changed. In addition, the Group can be subject to retroactive adjustments that may have a negative impact on Green Landscaping's previously estimated tax. This may have an adverse effect on the Company's business, financial position and results. It is not possible to predict whether Green Landscaping will be subject to any new or changed tax regulations, or if Green Landscaping's perception and interpretation of such new or changed regulations will be correct. Any failure in compliance can, inter alia, lead to the liability for additional taxes and/or fees, which may have an adverse effect on the Company's business, financial position and results.

### **Changed ownership structure may lead to limited possibilities to utilise tax losses**

Per 31 December 2017 the Group had deferred tax assets in the amount of approximately SEK 133 million, of which approximately SEK 45 million refers to the Company. Tax legislation contains certain regulations where changes in ownership in companies with deferred tax assets entail a risk that such losses cannot be fully utilised after certain ownership changes. The offer for the acquisition of new and existing shares offered for sale (the "**Offering**") will lead to changes in ownership that change the controlling influence over the Company, which may imply restrictions (in whole or in part) in the possibility of utilising deferred tax assets in the future. The possibility to utilise deferred tax assets in the future may also be negatively impacted by changes in applicable legislation. Such limitations and changes could have an adverse effect on the Company's business, financial position and result.

## **RISKS RELATED TO THE SHARES AND THE OFFERING**

### **The market price of the share**

Prior to the Offering, Green Landscaping's shares are not subject to organised trading. The share price of newly listed companies is often volatile during a period after the listing and there is a risk that there will not be an active and liquid market, or, if there is such a market, that it will not remain. The offering price has been determined through a bidding process and will therefore be based on demand and the overall market conditions. The price has been determined by the Company's board of directors and the Principal Shareholder in consultation with Pareto Securities and will not necessarily reflect the price at which investors on the market will be willing to purchase and sell the shares after the Offering. The difference between the sell and purchase price may from time to time be significant which makes it more difficult for a shareholder to sell shares at a certain time and at a price deemed appropriate.

### **Shareholders with significant influence**

Upon full participation in the Offering, the Principal Shareholder will sell a total of 12,461,417 shares in the Offering. In order to cover any over-allotment in the Offering, the Principal Shareholder may, upon the request of Pareto Securities, sell an additional 2,677,500 existing shares, corresponding to 15 percent of the total number of shares covered by the Offering, (the "**Over-allotment option**").

Assuming full participation in the Offering, but excluding the exercise of the Over-allotment option, the Principal Shareholder's holdings in the Company will amount to 26.15 percent of the share capital and the total number of shares and votes in the Company. Assuming full exercise of the Over-allotment option, the Principal Shareholder's holdings in the Company will amount to 18.61 percent of the

share capital and the total number of shares in the Company. The Principal Shareholder will consequently continue to have a significant influence on issues that are subject to approval by the shareholders in the Company, including continued significant influence over the Company's senior management and business. The Principal Shareholder's interests may differ in whole or in part from other shareholders' interests.

**Existing shareholders' sales can affect the share price**

Future sales of large lots of the Company's shares, in particular sales made by the Company's directors, senior management or major shareholders, can have an adverse effect on the share price.

In conjunction with the Offering, all current shareholders in the Company will commit to Pareto Securities not to sell or otherwise transfer their shares in the Company under a certain time after the trading of the Company's shares on Nasdaq First North has started. The so called lock-up period will be twelve months for shareholding board members and senior management and employees of the Group. For The Principal Shareholder and other shareholders, the so called lock-up period will be six months. The transfer restrictions are subject to customary restrictions and exceptions such as divestments within the Offering, acceptance of an offer to all shareholders of the Company in accordance with the Swedish takeover rules on terms which treat all such shareholders equally or provision of an unconditional undertaking to accept such an offer, sale or other divestment of shares as a result of an offer from the Company regarding the acquisition of own shares given on equal terms to all shareholders of the Company, or where a transfer of shares is required due to legal, administrative or judicial requirements and more. In addition Pareto Securities may grant exemptions from the relevant undertakings regarding in which situations the shares may be offered for sale. After the expiry of the respective lock-up periods, the shareholders affected by lock-up will be free to sell their shares. Sales of large quantities of the Company's shares, or the perception that such sales may occur, can lead to a decrease of the price of the Company's shares.

**Issues of new shares or related instruments may lead to dilution of holdings of shares and affect the market price of the Company's shares**

In order e.g. to raise capital or to enable corporate acquisitions, the Company may issue additional shares or related instruments. New issues can reduce the proportional ownership and voting rights as well as profits per share for the shareholders in the Company. Moreover, such new issues can affect the market price of the Company's shares.

Shareholders in countries outside Sweden may be subject to limitations that prevent them to participate in issues of new shares and/or limit and hinder their participation in other ways. Any such limitations may entail a dilution or decrease in value of their shareholding.

**Differences in currency exchange rates may materially and adversely affect the value of shareholdings or dividends**

The share price will be quoted in SEK only, and any dividends will be paid in SEK. As a result, shareholders resident outside Sweden may experience material adverse effects on the value of their shareholdings and dividends when converted into other currencies if the Swedish krona decreases in value compared to the relevant currency.

**Future dividends**

Dividends are resolved upon by the general meeting and proposed by the board of directors. Any future dividends and the size of such dividends are dependent on a number of factors, such as the Company's future results, financial position, cash flows, needs of working capital and investment, including financing of acquisition opportunities. The terms of current and future credit agreements may also hinder or prevent that dividend is paid. There is a risk that the Company's shareholders will not resolve on dividends in the future or that the Company will not have enough distributable funds. In addition, the Company's ability to make dividends, being a company whose main assets consist of shares in underlying subsidiaries, is also dependent on payments and dividends from subsidiaries being made, as this represents the Company's cash flow. In the event dividends are not resolved upon, any return to the shareholders is dependent on the positive development of the share price.

**Non-secured share acquisition commitments**

Prior to the Offering, Six Swedish investors have, under certain conditions, without being guaranteed allotment in the Offering and at the same price as other investors, ordered to acquire shares in the Offering for approximately SEK 205 million, corresponding to 9,761,904 shares or about 55 percent of the Offering excluding the Over-allotment option. These orders are not secured by any pledge, blocked funds or similar arrangement why there is a risk that such commitments are not fulfilled, which may have a material and adverse effect on the completion of the Offering.

# INVITATION TO ACQUIRE SHARES

The Company's board of directors together with the Principal Shareholder FSN Capital III have decided to carry out a new issue of shares in Green Landscaping and at the same time an ownership expansion through the sale of existing shares ("**the Offering**"). The Offering is directed at the public in Sweden and to institutional investors in Sweden and internationally. The board of directors of Green Landscaping has also applied for listing of the Company's shares on Nasdaq First North. The sale of new and existing shares is expected to promote the Company's growth and continued development, in part through an improved access to the capital market.

Investors are hereby offered; in accordance with the terms in the Prospectus, to acquire a total of 17,850,000 shares in Green Landscaping of which 3,571,429 pertain to newly issued shares and 14,278,571 pertain to shares offered for sale by existing shareholders ("**Selling Shareholders**"). The newly issued shares will be issued at an extraordinary general meeting around 22 March 2018. The Selling Shareholders' sale of existing shares will include sales of 12,461,417 existing shares from FSN Capital III, 471,458 existing shares from senior management and other key individuals in the Company and 1,345,696 existing shares from other shareholders in Green Landscaping.

In order to cover potential over-draft in the Offering, the Principal Shareholder has, upon the request of Pareto Securities, committed to sell a maximum of 15 percent of the total number of shares comprised at full subscription of the Offering ("**Over-allotment option**"). The Over-allotment option can be utilised in part or in whole for 30 calendar days from the first day of trading in the Company's shares on Nasdaq First North. At full participation in the Offering and assuming that the Over-allotment option is fully utilised, the Offering will comprise a total of no more than 20,527,500 shares, which corresponds to a total of around 58 percent of the shares in the Company after the Offering. The total value of the Offering amounts to approximately SEK 375 million if the Over-allotment option is not utilised and approximately SEK 431 million if the Over-allotment option is utilised entirely.<sup>1)</sup>

The Offering price has by Principal Shareholder in consultation with the Company's board of directors and Pareto Securities been determined to SEK 21 per share and is the same for both institutional investors and the general public. The Offering price of SEK 21 per share has mainly been determined by the book building process that took place during January and February 2018. During this book building process certain institutional investors were invited to submit expressions of interest to subscribe for shares in the Company and submit tenders for the price level at which they would be interested to subscribe for shares in the Company. Prior to the Offering, six Swedish investors have, subject to certain conditions, without being guaranteed allotment in the Offering, and to the same price as other investors, placed orders to acquire shares in the Offering to a total value of approximately SEK 205 million, corresponding to 9,761,905 shares or approximately 55 percent of the Offering, excluding the Over-allotment option (the "**Anchor Investors**"). As a part of these orders from the Anchor Investors, the Company's CEO Johan Nordström, has undertaken against Selling Shareholders to acquire shares within the Offering for approximately SEK 15 million, corresponding to approximately 4 percent of the Offering, excluding the Over-allotment option. Also the Company's CFO, Carl-Fredrik Meijer, has undertaken against Selling Shareholders to acquire shares within Offering for approximately SEK 0.8 million.

The issue of new shares is expected to bring Green Landscaping approximately SEK 75 million before issuance costs, which comprise 3,571,429 shares based upon full subscription. The Company's costs related to the Offering are estimated at SEK 16 million, which gives the Company net proceeds of approximately SEK 59 million.

Based on full subscription in the Offering and full utilisation of the Over-allotment option, the Company's share capital after the Offering will amount to approximately SEK 2,520,423 SEK distributed over 35,498,909 shares, of which the newly issued shares correspond to a total of approximately 50 percent after the Offering.<sup>1)</sup>

Stockholm, 12 March 2018  
*Green Landscaping Holding AB (publ)*

Stockholm, 12 March 2018  
*Selling Shareholders*

1) Including shares that originate from the settlement of outstanding preference shares and convertible bonds in the Company. For more information, refer to "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible bonds".

# BACKGROUND AND REASONS

Green Landscaping considers itself to be a leading provider of services in the Swedish market for the maintenance of outdoor environments. The primary operations comprise a complete range of maintenance services, such as grounds maintenance, landscaping, sports grounds maintenance and arborist services. Green Landscaping is active in central and southern Sweden with a focus on the metropolitan regions.

The Company began its operations in the spring of 2009 through a consolidation of four existing companies, which together formed the new corporate group Green Landscaping. Since then, the Company has conducted seven more acquisitions<sup>1)</sup> and achieved total operating income pro forma of SEK 1,016 million in 2017, including full year sales from companies acquired in 2017.<sup>2)</sup> In 2015, Johan Nordström took office as the CEO of Green Landscaping. The Company has since established a platform for profitable growth through the implementation of multiple operational efficiency enhancements and efficient management processes. These have also contributed to an increase in the Company's adjusted EBITDA-margin from 4.2 percent in 2014 to an adjusted EBITDA-margin of 9.4 percent in 2017, including full-year earnings from acquired companies in 2017. The Company intends to expand the Group through both organic growth and acquisitions, and has established a structured acquisition strategy for the upcoming years.

Since 2009, FSN Capital III has been the Principal Shareholder of the Company and currently holds approximately 60 percent of the Company. As business concept, FSN Capital III invests in unlisted companies in order to actively develop and sell these when the set goals have been achieved. FSN Capital III believes that the Company has achieved these goals and has begun a growth phase.

The Company's board of directors and management believe that the Offering, together with a broadened shareholder base, will promote the Company's continued growth and development, inter alia by expanding the Company's financing options and providing access to Swedish and international capital markets. More sources of financing will thereby be made available to be able to support the Company's acquisition strategy and support the Company's ambition to play a central role in the on-going consolidation of the outdoor environment industry. A broadened shareholder base entails a greater awareness and a quality stamp that the Company believe is an advantage in customer relations, to attract and retain staff, in tender processes, in relationships to suppliers and, not least, to all of the people who spend time in the outdoor environments that Green Landscaping creates and cares for.

If fully subscribed, the new share issue in the Offering is expected to raise SEK 75 million before deductions for transaction costs. Transaction costs attributable to the Offering are expected to amount to SEK 16 million. The Company intends to use the net proceeds of SEK 59 to strengthen the Company's balance sheet and thereby create conditions for Green Landscaping to continue to make selective acquisitions in line with its acquisition strategy. For more information on the Company's acquisition strategy, refer to section "Business description" under "Strategy" and "Continued growth through acquisitions".

The the board of directors ambition is, depending on the prevailing market conditions, to list Green Landscaping on Nasdaq Stockholm within twelve months after the completion of listing on Nasdaq First North.

Stockholm, 12 March 2018  
**Green Landscaping Holding AB (publ)**  
*Board of directors*

*The board of directors of Green Landscaping is solely responsible for the content of the Prospectus. The board<sup>3)</sup> hereby assures that all reasonable cautionary measures have been observed to ensure that the information provided in this Prospectus, insofar as the board is aware, agrees with the actual circumstances and no omissions have been made regarding anything that could alter its meaning. Selling Shareholders confirm, however, being bound by the terms of the Offering in accordance with that stated in the sections "Invitation to acquisition of shares" and "Terms and conditions".*

*Selling Shareholders*

- 1) Miljöbyggarna Stockholm (2010), Jacksons Trädvård (2013), GML Sport (2014), Björmentreprenad (2017), Tranemo Trädgårdstjänst (2017), J E Mark (2017), Jordelit (2017). Does not include acquisition of the Company's subsidiary Goldcup 16362 AB (name being changed to Green Landscaping Incentive AB), acquired as a stock company in February 2018 for the administration of the Company's planned warrants based incentive programs.
- 2) For more information, see "Definitions of key ratios not defined by BFNAR" in the section "Selected historical financial information", "Pro forma financial statement" – "Pro forma income statement January 1, 2017 to December 31, 2017 in summary", "Pro forma key figures" and "Alternative pro forma key figures not calculated by BFNAR".
- 3) At the extraordinary general meeting on February 7 in 2018, Åsa Källenius and Monica Trolle were elected as new board members in the Company. Åsa Källenius and Monica Trolle have not participated in the preparation of the Prospectus, and the above statement is therefore not given by these newly elected members.

# TERMS AND CONDITIONS

## THE OFFERING

The Offering comprises a maximum of 3,571,429 newly issued shares offered by the Company and a maximum of 14,278,571 existing shares, offered by the Selling Shareholders. All shares in the Offering are ordinary shares with ISIN-code SE0010985028 and ticker "GREEN" on Nasdaq First North. The newly issued shares included in the Offering will be issued by the Company with deviation from the shareholders preferential rights. This section describes the Offering without distinction between newly issued shares offered by the Company and the shares offered by the Selling Shareholders.

The Offering is divided into two parts:

- (1) the Offering directed to the general public in Sweden;<sup>1)</sup> and
- (2) the Offering to institutional investors in Sweden and internationally.<sup>2)</sup>

The outcome of the Offering will be published through a press release on or about 23 March 2018.

## OVER-ALLOTMENT OPTION

To cover a possible over-allotment in connection with the Offering, the Offering may comprise up to a maximum of 2,677,500 additional existing shares, corresponding to maximum 15 percent of the total number of shares that are offered in the Offering. The Over-allotment option may be fully or partly exercised during 30 calendar days from the first day of trading of the Company's shares on Nasdaq First North. The price for shares in the Over-allotment option will be the same as the price in the Offering.

## ALLOTMENT OF EXISTING AND NEW SHARES

The allotment of shares between each part of the Offering will be based on demand. The allotment will be determined by the Company's board of directors in consultation with The Principal Shareholder and Pareto Securities.

## BOOK-BUILDING PROCEDURE

To achieve market-based pricing of the shares in the Offering, institutional investors have been given the opportunity to participate in a book-building procedure by submitting expressions of interest. The book-building procedure commenced between January to February 2018. The price per share in the Offering has been determined based on the order book compiled during the book-building procedure.

## OFFERING PRICE

The offering price is SEK 21 per share. The offering price is the same for institutional investors as for the general public. The price for shares from the Over-allotment option is the

same as in the Offering. No brokerage commission will be charged. The price has been set by the Company's board of directors and the Selling Shareholders in consultation with Pareto Securities based on the anticipated investment interest from institutional investors who have submitted subscription commitments.<sup>3)</sup>

## THE OFFERING TO THE GENERAL PUBLIC IN SWEDEN

### Application

Applications for acquisition of shares are to be made during the period 13 March 2018 – 21 March 2018.

Applications for the acquisition of shares should relate to a minimum of 300 shares and a maximum of 47,000 shares, in even lots of 10 shares. The application is binding. Applications from institutional investors for acquisition of 47,000 shares or more must be through contact with Pareto Securities in accordance with instructions specified in the section "Terms and conditions" – "The institutional Offering".

Applications to acquire shares shall be made either via a special application form to be submitted to Pareto Securities or via Avanza's internet service for those who hold securities depository account with Avanza. Applications must have been received by Pareto Securities by March 21 2018 by 5:00 p.m.

Late, incomplete or incorrectly completed application forms may be disregarded. No amendments or additions may be made to pre-printed text. Only one application per investor may be made. In case more than one application is made, Pareto Securities has the right to only consider the first received application.

Investors who have an account with specific rules for securities transactions, such as an IPS-deposit, ISK-deposit (Sw. *Investeringssparkonto*) or deposit within an endowment insurance, should confer with their nominee if and how they can apply for acquisition of shares in the Offering.

The Company, together with Pareto Securities, has the right to extend the application period. Such an extension will be communicated through a press release before the expiration of the application period.

### Application via application form to Pareto Securities

Investors applying to acquire shares with Pareto Securities must have a securities account, service account or a securities depository account with a securities institution of their choice or an investment savings account with Pareto Securities. Application shall be made using a special application form which is available on Green Landscaping's website ([www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se)) and Pareto Securities' website ([www.paretosec.com/corp/greenlandscaping](http://www.paretosec.com/corp/greenlandscaping)). The application form is also available at Pareto Securities' and

1) The general public refers to private individuals and legal entities subscribing for up to 47,000 shares.

2) Institutional investors refers to private individuals and legal entities subscribing for 47,000 shares or more.

3) See section "Legal considerations and supplementary information" – "Acquisition commitments".

Green Landscaping's respective offices. Applications must have been received by Pareto Securities no later than 21 March 2018 by 5:00 p.m. Applications shall be sent to, or handed in at:

Pareto Securities AB  
 Issuer Service/Green Landscaping  
 Box 7415  
 103 91 Stockholm  
 Visiting address: Berzelii Park 9, Stockholm  
 Tel: +46 8 402 51 40  
 Fax: +46 8 402 51 41  
 E-mail: [issueservice.se@paretosec.com](mailto:issueservice.se@paretosec.com)  
 (scanned-in application form)

#### **Application via Avanza**

For holders of securities depository account with Avanza, application to subscribe for shares may be made via Avanza's online service as from 13 March 2018 to, and including, 21 March 2018 11:59 p.m. In order not to risk losing the right to possible allotment, sufficient funds based must be available on the Avanza account as from 21 March 2018 by 11:59 p.m., until the settlement day expected to be on 27 March, 2018. Additional information is available at [www.avanza.se](http://www.avanza.se).

#### **Allotment**

Decision on allotment of shares is made by the board of directors in consultation with Pareto Securities, whereby the goal will be to achieve a good institutional ownership base and a broad distribution of the shares among the general public, in order to facilitate a regular and liquid trading in the Company's shares on Nasdaq First North. The allotment does not depend on when the application is submitted during the application period. In the event of oversubscription, allotment may take place with a lower number of shares than the application concerns, at which allotment wholly or partly may take place by random selection. Employees, business partners, existing shareholders and certain related parties to Green Landscaping as well as certain customers of Pareto Securities may be considered separately during allotment. Allotment may also be made to employees of Pareto Securities and Avanza, however without priority in relation to other subscribers. In such cases, the allotment takes place in accordance with the rules of the Swedish Securities Dealers Association (*Sw. Svenska fondhandlareföreningen*) and the Swedish Financial Supervisory Authority's regulations.

Within the framework of the Offering and in accordance with the decision to be taken at the extraordinary general meeting on 22 March 2018, the board of directors of the Company and employees of the Group and to these related persons are offered to subscribe for shares in the Offering of up to a total of approximately SEK 15 million. Allotment to employees and board members of Green Landscaping may therefore refer to shares worth more than SEK 30,000 per employee and in accordance with the subscription of each employee or board member.

Anchor Investors may be taken into account in particular in the allotment, but no guarantee of allotment is granted with the exception of Johan Nordström, CEO and CFO Carl-Fredrik Meijer, who are guaranteed allotment in accordance with their obligations to Selling Shareholders to acquire shares.

#### **Information regarding allotment**

##### ***Via Pareto Securities***

Notice of allotment for those who have applied via the application form to Pareto Securities is expected to take place on or about 23 March 2018. Shortly thereafter, a contract note will be sent to those who received allotment in the Offering. Those persons who have not been allotted shares will not be notified.

##### ***Via Avanza***

Those who have applied via Avanza's online service will receive notice of allotment through a subscription of shares against a simultaneous charge of funds from the specified account, which is expected to occur on or about 23 March 2018.

#### **Payment**

##### ***Via Pareto Securities***

Payment for allotted shares shall be made in cash in accordance with the instructions on the contract note received by 27 March 2018 at the latest. Note that if sufficient payment is not made in due time, allotted shares may be transferred and sold to another party. The party who initially received allotment of shares in the Offering may bear the difference, should the selling price in the event of such a transfer be less than the price in the Offering.

##### ***Via Avanza***

For customers with securities depository account with Avanza allotted shares will be booked against a charge of funds from the specified account around 23 March 2018 when notice of allotment is given, however at latest on the settlement day of 27 March 2018. Note that cash for the registered number of shares shall be available at the account from last day of applying on 21 March 2018 to, and including, the settlement day of 27 March 2018.

##### ***Insufficient or incorrect payment***

If sufficient funds are not available on the bank account, securities depository account or Investment Savings Account on the settlement day or if full payment is not made in due time, allotted shares may be transferred and sold to another party. The party who initially received allotment of shares in the Offering may bear the difference, should the selling price in the event of such a transfer be less than the price in the Offering.

## **THE INSTITUTIONAL OFFERING**

### **Application**

The application period for institutional investors in Sweden and internationally is lasting 13 March 2018 – 22 March 2018. Applications shall be made to Pareto Securities in accordance with certain instructions.

Green Landscaping reserves the right to shorten or extend the application period in the institutional offering. Any such shortening or extension of the application period will be made public by the Company in a press release prior to the end of the application period.

### Allotment

Decision on allotment of shares is made by the board of directors in consultation with Pareto Securities, whereby the goal will be to achieve a good institutional ownership base and a broad distribution of the shares among the general public, considering the applications from the board av directores and employees in the group, and to them related parties, to facilitate a regular and liquid trading in the Company's shares on Nasdaq First North. Allotment will be decided entirely discretionary and no guarantee of allocation will be given. Within the framework of the Offering and in accordance with the decision to be taken at the extraordinary general meeting on 22 March 2018, the board of directors of the Company and employees of the Group and to these related persons are also offered to subscribe for shares in the Offering up to a total of approximately SEK 15 million. Allotment to employees and board members of Green Landscaping may therefore refer to shares worth more than SEK 30,000 per employee and in accordance with the application of each employee or board member. Anchor Investors may be taken into account in particular in the allotment of shares, but no guarantee is granted with the exception of Johan Nordström and Carl-Fredrik Meijer, who are guaranteed allotment in accordance with their commitment to Selling Shareholders to acquire shares.

### Information regarding allotment

Institutional investors are expected to receive notification of allotment in particular order on or around 23 March 2018, after which a contract note is sent out.

### Payment

Full payment for allotted shares shall be paid in cash in accordance with the contract note against the delivery of shares no later than 27 March 2018.

### Insufficient or incorrect payment

Note that if sufficient payment is not made in due time, allotted shares may be transferred and sold to another party. The party who initially received allotment of shares in the Offering may bear the difference, should the selling price in the event of such a transfer be less than the price in the Offering.

### Registration of allotted and paid-up shares

Registration with Euroclear Sweden of allotted and paid-up shares is expected to take place on or about 27 March 2018 for both institutional investors as well as the general public, after which Euroclear Sweden will distribute a notice stating the number of shares in Green Landscaping that have been registered in the recipient's securities account. Shareholders whose holdings are nominee-registered will be notified in accordance with the procedures of the respective nominee.

Note that those who have subscribed for shares in the Offering ("**Acquirers**") belonging to the Swedish public who pay allotted shares according to the instructions on a contract note to a specified bank account, i.e. have not specified a securities depository account with Pareto Securities, will not have the acquired shares delivered to the designated securities account or securities depository account until Pareto Securities has received full payment. Depending

on where, how and at what time of day the payment is made, this could take up to two to three bank days from the time of payment, which could affect the ability to trade.

### Listing of the shares on Nasdaq First North

The board of directors of Green Landscaping has applied for a listing of the Company's shares on Nasdaq First North, a multilateral trading facility which does not have the same legal status as a regulated market. Expected first day of trading of Green Landscaping's shares is 23 March 2018, under the condition that the listing application is approved. A condition of approval is that the distribution requirements for the Company's shares are met by the first day of trading. The Company's shares will be traded on Nasdaq First North under the ticker GREEN.

### Stabilisation

In connection with the Offering, Pareto Securities may execute transactions aimed at supporting the market price of the shares or in other ways affect the market price of the shares for up to 30 calendar days after the commencement of trading in the shares on Nasdaq First North (stabilisation actions). Pareto Securities is not obligated to undertake such stabilisation actions and such stabilisation actions could, if undertaken, be ceased at any point in time without being communicated. See section "*Legal considerations and supplementary information*" – "*Stabilisation*" for more information.

### Announcement of the outcome of the Offering

The final outcome of the Offering will be announced through a press release which also will be available on the Company's website, [www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se), on or around 23 March 2018.

### Entitlement to dividends

The offered shares carry the right to dividend from the first dividend record date following the admission to trading of the Company's shares. Dividends, if any, are paid following a resolution by the shareholders' general meeting. The payment is handled by Euroclear Sweden ("**Euroclear Sweden**"), or in the case of nominee-registered holdings in accordance with the procedures of the respective nominee. For additional information, see section "*Share capital and ownership structure*" – "*Dividend policy and dividends*".

### Important information about the possibility to sell allotted shares

Notifications about allotment to the public in Sweden will be made through distribution of contract notes, which is expected to occur on or around 23 March 2018. Following processing of payments for the allocated shares by Pareto Securities, duly paid shares will be transferred to the securities depository account or the securities account specified by the Acquirer. The time required to transfer payments and transfer duly paid shares to the acquirers of shares in Green Landscaping may entail that these Acquirers will not have shares available in the specified securities depository account or the securities account until, at the earliest,

1) See section "*Legal considerations and supplementary information*" – "*Acquisition commitments*".

27 March 2018. Trading in Green Landscaping's shares on Nasdaq First North is expected to commence on or around 23 March, 2018. Please note that the circumstance that shares may not be available in an Acquirer's securities account or securities depository account until, at the earliest, 27 March, 2018 can mean that the Acquirer may not be able to sell these shares on the stock exchange as from the time trading in the shares commences, but first when the shares are available in the securities account or the securities depository account.

#### **Important information regarding LEI and NCI when subscribing for shares**

According to the European parliament and the council's directive 2011/61/EU (MiFID II) all investors need a global identification code to be able to carry out securities transactions from January 3, 2018.

These requirements call for all legal entities to apply for registration of a LEI code (Legal Entity Identifier), and all individuals to learn their NCI number (National Client Identifier), in order to be able to subscribe for shares in the Company. Note that it is the subscriber's legal status that determines whether a LEI-code or NCI number is required, and that Pareto Securities may not be able to execute the transaction for the person in question if a LEI-code or NCI number (as applicable) is not presented. Legal entities which need to obtain a LEI-code can contact any of the suppliers available on the market. Instructions regarding the global LEI system can be found at [www.gleif.org](http://www.gleif.org). For individuals with only a Swedish citizenship, the NCI number is "SE" followed by the personal identity number. If the person in question has multiple citizenships or another citizenship than Swedish, the NCI number can be another type of number.

Those who intend to subscribe for shares in the Offering are encouraged to apply for registration of a LEI code (legal entities) or to learn their NCI number (individuals) as early as possible as this information needs to be stated in the application form when subscribing for shares.

#### **Terms and conditions for completion of the Offering**

The Company, in consultation with Pareto Securities, intends to resolve on allotment of shares in the Offering on or about 23 March 2018 and contract notes will be sent to investors who received allotment around the same day. Trading in Green Landscaping's shares on Nasdaq First North is expected to commence on or around 23 March 2018.

The Offering is conditioned on that (i) the Company and Pareto Securities enter into an agreement regarding the placement of shares (the "**Placement Agreement**") in the Company around the 22 March 2018, (ii) some of the conditions in the Placement Agreement are met, (iii) the Placement Agreement is not terminated, (iv) that Pareto Securities deems the interest in the Offering to be sufficient for a satisfactory trading in the share, (v) that Nasdaq approves the board of directors' application for listing of the Company's

share on Nasdaq First North and (vi) that no events occur which have such a materially negative effect on the Company that it would be inappropriate to complete the Offering ("**Material negative events**"). Such Material negative events may, for example, be of economic, financial or political nature and may relate to Material negative events in Sweden as well as abroad. When determining if the interest in the Offering is sufficient for a satisfactory trading in the share, factors such as the number of received applications and the aggregate amount applied for will be taken into consideration. This assessment is made by Pareto Securities. If the above stated conditions are not met the Offering may be cancelled. In that case neither delivery of nor payment for shares will be completed in conjunction with the Offering. If the Offering is cancelled it will be announced through a press release no later than 23 March 2018 and received applications will be disregarded. For more information, please refer to the section "*Legal considerations and supplementary information*" – "*Agreement of placement of shares*".

#### **Information about handling of personal information**

Anyone acquiring shares in the Offering will submit certain information to Pareto Securities. Personal information submitted to Pareto Securities will be processed in data systems to the extent required to provide services and manage customer arrangements. Personal information obtained from sources other than the acquirer may also be processed. The personal information may also be processed in the data systems of companies or organisations with which Pareto Securities cooperates.

#### **Other information**

The fact that Pareto Securities acts as issuing agent does not imply that Pareto Securities regards any party that applies for shares in the Offering as a client of Pareto Securities in connection with the Offering.

The fact that Pareto Securities is receiving and handling application forms does not imply that Pareto Securities regards any party that applies for shares in the Offering as a client of Pareto Securities in connection with the Offering. For the Offering, the Acquirer is only regarded as a client of Pareto Securities if Pareto Securities has advised the Acquirer about the Offering or has otherwise contacted the Acquirer individually about the Offering. The consequence of Pareto Securities not regarding the Acquirer as a client for the placement is that the rules for protecting investors under the securities market laws will not apply. Among other things, this means that neither "client classification" nor "suitability assessment" will be applied to the placement. As a result, acquirers are themselves responsible for having adequate experience and knowledge to understand the risks associated with participation in the Offering.

In the event that the Acquirer has paid an excess amount in the Offering, Pareto Securities will ensure that the excess amount is repaid. No interest will be paid for excess amount.



# MARKET OVERVIEW

The Prospectus contains certain information about the market and sector in which the Group operates and its position in relation to its competitors, which may be based on third party information, as well as on the Company's own estimates based on third party information. Such third party information consists among other things of a market report that has been prepared by Strategy&, an external strategy consultancy department within PwC, on behalf of the Company during 2017<sup>2)</sup>. The Company has properly disclosed such third party information and in so far as the Company's board of director knows or can ascertain by comparison with other information published by the third party from which the information was collected, no facts have been omitted in a manner that would render the disclosed information incorrect or misleading. However, the Company has not independently verified the accuracy or completeness of any third party information and, therefore, the Company can not guarantee its correctness or completeness.

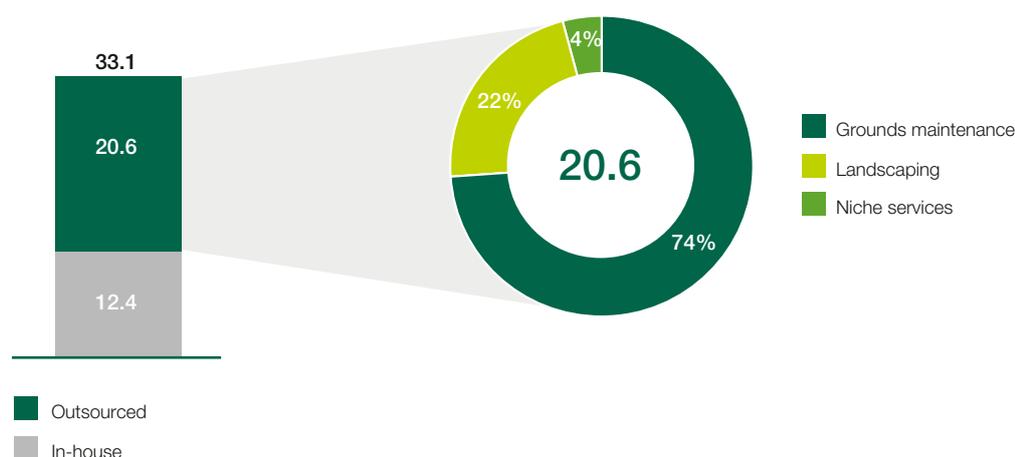
## THE MARKET IN BRIEF

Green Landscaping operates in the Swedish market for maintenance of outdoor environments for private companies and the public sector. The market is described here as comprising three segments: grounds maintenance, landscaping and niche services. In 2016, the total market in Sweden was estimated at SEK 33.1 billion. Of the total market, SEK 20.6 billion (62 percent) was outsourced to external suppliers.<sup>1), 2)</sup> The market is fragmented and contains about 6,300 companies,<sup>1)</sup> of which the Company views some two or three as competitors at the national level and some four or five as such at the regional level. The market is characterised by long-term contracts in both the private and public sectors. Over time, the market has been non-cyclical, remaining stable in times of recession.

## Addressable market

The outsourced segment of the market represents Green Landscaping's addressable market. Of the addressable market, grounds maintenance represented 74 percent, landscaping 22 percent and niche services 4 percent in 2016.<sup>2)</sup> The addressable market is expected to have average annual growth ("CAGR") of 4.7 percent in 2017–2020.<sup>2)</sup> Over the same period, the metropolitan areas, in which Green Landscaping operates, are expected to show a CAGR of approximately 6–7 percent.<sup>2)</sup> Favourable demographic trends represent a major driving force behind the anticipated positive development in the market.

## SWEDISH MARKET (2016, SEK BILLION)



Source: Strategy& – 2017 Market Report.

1) Outsourced entails engaging an external supplier rather than carrying out the work in-house.  
 2) Strategy& – 2017 Market Report.

MARKET SEGMENTS

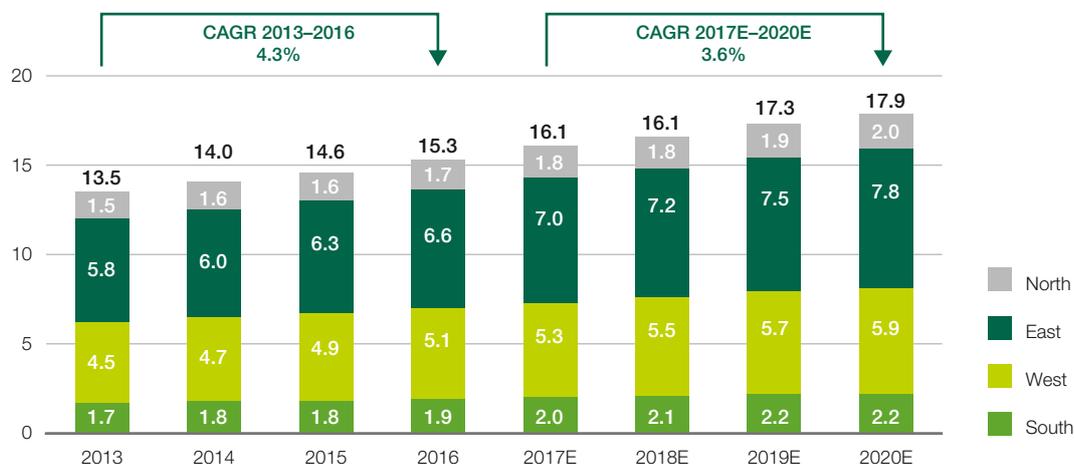


**Grounds maintenance**

The segment consists of maintenance services for land and green areas throughout the seasons. Common services include lawn mowing, weeding, clean-up, renovation, planting, snow removal, as well as minor landscaping and construction work, mainly related to the gardens and outdoor areas being maintained. The grounds maintenance segment is characterised by long-term contracts stretching over several years. Grounds maintenance has traditionally been performed by municipalities, while companies have engaged external suppliers to be able to focus on their core operations. In 2016, an average of 60 percent of this segment was outsourced, and this is expected to hold at similar levels in the future.<sup>1)</sup>

The total scope of the grounds maintenance market was estimated at SEK 15.3 billion in 2016 – 74 percent of the total addressable market.<sup>1)</sup> CAGR in the segment is expected to reach 3.6 percent in 2017–2020, while in Stockholm, Gothenburg and Malmö, CAGR is forecast to reach 6.6 percent, 6.1 percent and 6.1 percent respectively over the same period.<sup>1)</sup> In the long term, growth is expected to derive from growth in the metropolitan regions, driven by favourable underlying demographic trends, resulting in increased demand and thus greater wear and tear on existing outdoor environments.<sup>1)</sup>

**ADDRESSABLE MARKET FOR GROUNDS MAINTENANCE BY REGION (2013–2020E, SEK BILLION)**



Source: Strategy& – 2017 Market Report.

1) Strategy& – 2017 Market Report.

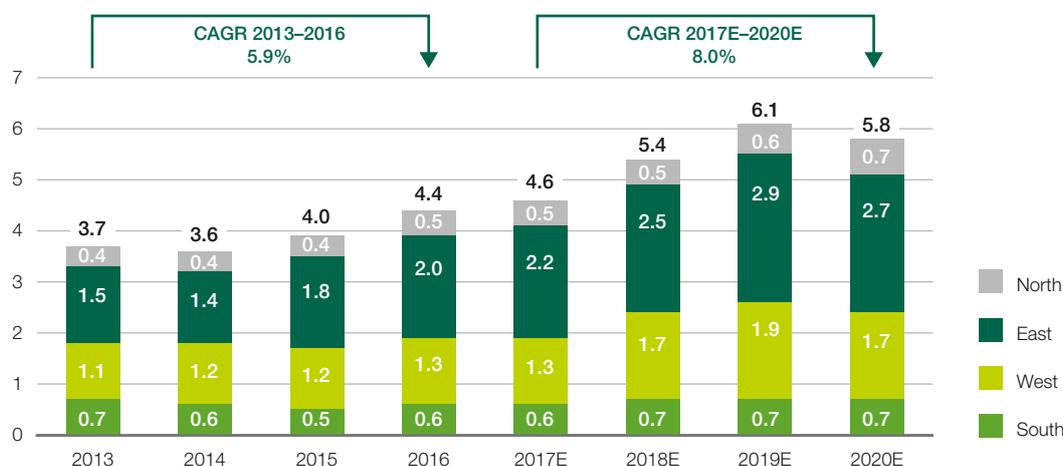


**Landscaping**

The segment consists of services for the creation of new gardens and outdoor environments. The landscaping segment is usually limited to work carried out down to a depth of one metre. Common services in the area include planning, earth removal, drainage, surface planning, design and lighting, renovation of parks and green areas, as well as the installation of playgrounds and outdoor gyms. The landscaping segment is characterised by fixed contracts for smaller projects, such as the installation of lighting in a park. The landscaping segment consists of small-scale and local contractors and other local actors.<sup>1)</sup> In 2016, an average of 97 percent of this segment was outsourced, and this is expected to hold at similar levels in the future.<sup>1)</sup>

The total scope of the landscaping market was estimated at SEK 4.4 billion in 2016 – 21 percent of the total addressable market.<sup>1)</sup> CAGR in the segment is expected to reach 8.0 percent in 2017–2020, while in Stockholm, Gothenburg and Malmö, CAGR is forecast to reach 9.6 percent, 10.6 percent and 7.5 percent respectively over the same period.<sup>1)</sup> Growth is primarily expected to be driven by higher quality and safety requirements, combined with increased housing construction. New housing construction often takes place alongside new construction of outdoor environments such as parks, playgrounds and outdoor gyms. Stricter quality and safety requirements are also expected to increase the demand for renovation of playgrounds and outdoor gyms in the future. The landscaping segment is expected to grow up until 2019, followed by a slowdown in the rate of growth.<sup>1)</sup>

**ADDRESSABLE MARKET FOR LANDSCAPING BY REGION (2013–2020E, SEK BILLION)**



Source: Strategy& – 2017 Market Report.

1) Strategy& – 2017 Market Report.

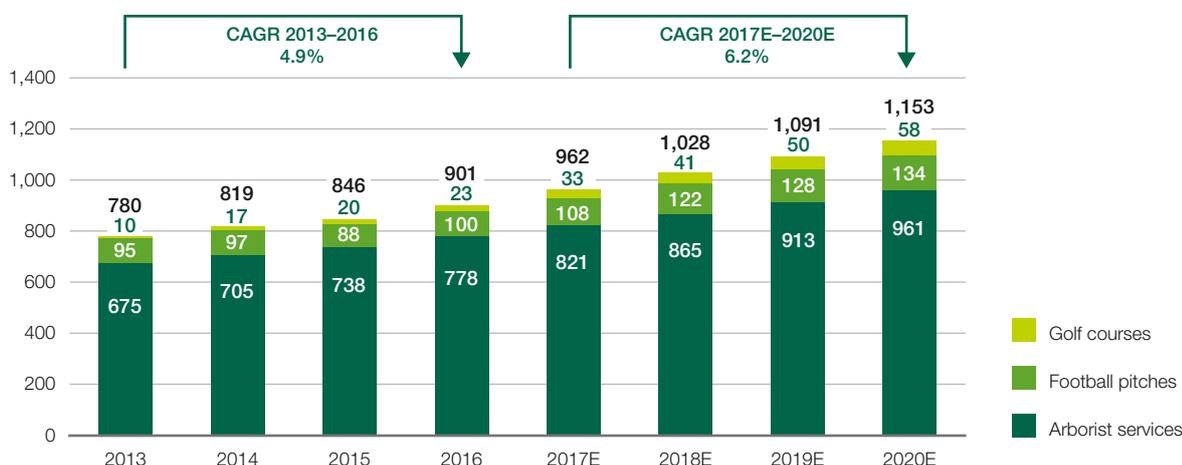


**Niche services**

The segment consists of services in which Green Landscaping currently operates, including sports grounds maintenance, as well as arborist services. Niche services generally require greater skills and training than grounds maintenance and landscaping do. Common services include pruning and cutting of trees, as well as grounds maintenance for football pitches and golf courses. The proportion of services outsourced varies considerably, with sports grounds maintenance having 57 percent outsources, while arborist services have an 8 percent share.<sup>1)</sup> The segment is dominated by

specialist companies focusing on alternative service areas. The niche services segment includes a mix of both long-term contracts and fixed price projects. Framework agreements are often used for services such as tree pruning while fixed project contracts apply in the construction football pitches, for example. In 2016, an average of about 30 percent of the segment was outsourced and this is expected to increase in the future.<sup>1)</sup> The total scope of the niche services market was estimated at SEK 0.9 billion in 2016 – 4 percent of the total addressable market.<sup>1)</sup> CAGR in the segment is expected to reach 6.2 percent in 2017–2020.<sup>1)</sup>

**ADDRESSABLE MARKET FOR NICHE SERVICES BY AREA (2013–2020E, SEK BILLION)**



1) Strategy& – 2017 Market Report.

Source: Strategy& – 2017 Market Report.

### MARKET BROKEN DOWN BY REGION

Green Landscaping’s market in Sweden has been divided into the regions East, South and West. All regions have similar characteristics, with the major differences being observed between the smaller towns and cities and the metropolitan regions. Historically, Sweden’s metropolitan municipalities have had a higher rate of growth than their surrounding regions, and this is expected to continue in the future. Price levels vary according to region, and generally the price level is 10 percent higher than the national average in the metropolitan regions, while the price level in northern Sweden is 5 percent lower than the national average.<sup>1)</sup> Combined, the regions East, South and West account for 89 percent of the total market.<sup>1)</sup>

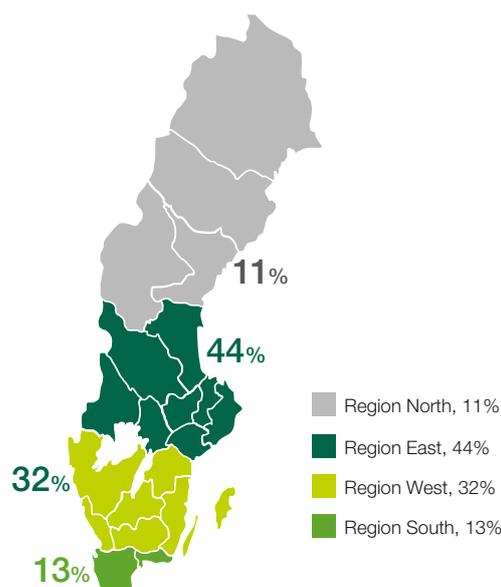
#### Region East

Region East includes the following counties: Stockholm, Uppsala, Södermanland, Västmanland, Gävleborg, Dalarna, Örebro and Värmland. Region East accounted for 44 percent of the addressable market in 2016. Within Region East, Green Landscaping operates in Stockholm, Bro, Vallentuna, Norrtälje and Södertälje, which together accounted for 41 percent of the Company’s sales in 2016. The region had a CAGR of 6.0 percent in 2013–2016 and is expected to show a CAGR of 5.1 percent in 2016–2020. In the region, the grounds maintenance and landscaping segments are expected to show a CAGR of 4.2 percent and 7.7 percent respectively in 2016–2020. Price levels in the Region East are 5 percent higher than the average in Sweden.<sup>1)</sup>

#### Region West

Region West includes the following counties: Västra Götaland, Halland, Jönköping, Kronoberg, Östergötland, Kalmar and Gotland. Region West accounted for 32 percent of the addressable market in 2016. Within Region West, Green Landscaping operates in Göteborg, Borås, Ulricehamn, Linköping, Alingsås and Tranemo, which together accounted for 36 percent of the Company’s sales in 2016. The region had a CAGR of 4.2 percent in 2013–2016 and is expected to show a CAGR of 4.6 percent in 2016–2020. In the region, the

### MARKET SHARE BY REGION (2016)



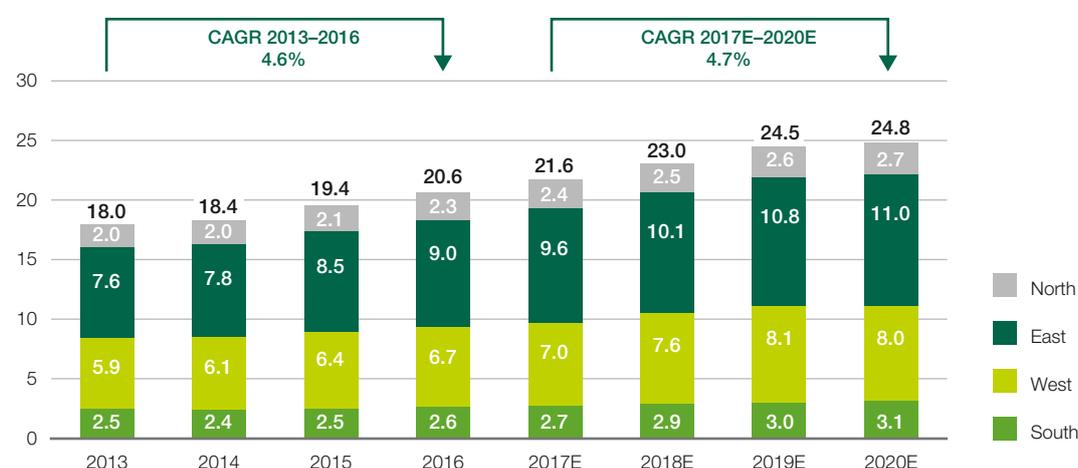
Source: Strategy& – 2017 Market Report.

grounds maintenance and landscaping segments are expected to show a CAGR of 4.0 percent and 6.5 percent respectively in 2016–2020. Price levels in Region West are at the same level as the average for Sweden as a whole.<sup>1)</sup>

#### Region South

Region South includes the counties of Skåne and Blekinge. Region South accounted for 13 percent of the addressable market in 2016. Within Region South, Green Landscaping operates in Malmö, Lund, Vellinge, Staffanstorps and Helsingborg, which together accounted for 23 percent of the Company’s sales in 2016. The region had a CAGR of 1.6 percent in 2013–2016 and is expected to show a CAGR of 4.2 percent in 2016–2020. In the region, the grounds maintenance and landscaping segments are expected to show a CAGR of 3.9 percent and 4.5 percent respectively in 2016–2020. Price levels in Region South are at the same level as the average for Sweden as a whole.<sup>1)</sup>

### ADDRESSABLE MARKET BY REGION (2013–2020E, SEK BILLION)



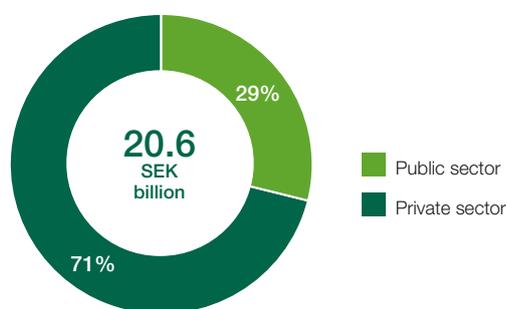
Source: Strategy& – 2017 Market Report.

1) Strategy& – 2017 Market Report.

**CUSTOMER CATEGORIES**

Customers in the market include companies and the public sector. Customers offering major contracts often impose specific essential requirements on companies, providing maintenance of outdoor environments and employ structured procurement processes, creating entry barriers for the smaller companies in the market. These may include requirements for large-scale operations, certifications, financial strength, a wide range of services, language skills, quality assurance, references from earlier projects, as well as the company's capacity to handle a variety of contracts with the same customer. Contract values in the public sector are higher on average than in the private sector.

**PRIVATE AND PUBLIC SECTOR SHARES OF THE ADDRESSABLE MARKET IN SWEDEN IN 2016**



Source: Strategy& – 2017 Market Report.

**Private sector**

The addressable market in the private sector was estimated at SEK 14.6 billion in 2016.<sup>1)</sup> Common customers in the private sector are larger companies that own industrial or commercial properties, sports facilities or tenant-owner housing associations. In the private sector, procurement processes can either be open or closed. Private sector companies focus more on price than the public sector does.<sup>1)</sup>

In the private sector, contracts are usually for one year at a time and are automatic renewed if both parties are satisfied. In the private sector, the proportion of recurring contracts is higher than in the public sector due to the fact that companies often have a relationship with the supplier and because companies can choose to extend the contract without requiring a new bidding process. The value of contracts in the private sector is on average lower than in the public sector and shows considerable variation.<sup>1)</sup>

**Public sector**

The addressable market in the public sector was estimated at SEK 6 billion in 2016.<sup>1)</sup> Common customers in the public sector are municipal housing companies and municipal properties, county councils, the Swedish Transport Administration, hospitals, schools and homes for the elderly. Examples of areas of work in the public sector include maintenance and

landscaping in parks and green spaces adjacent to for example residential areas. Arborist services can also be offered in the form of, for example, tree pruning in parks and along roads and other municipal infrastructure. About one percent of a municipality's total annual budget is spent on the maintenance of outdoor environments. The municipal sector generally focuses more on quality and flexibility than price.<sup>1)</sup> Public sector contracts are generally broader, larger-scale and apply over longer periods. The average value of public sector contracts is around SEK 10–15 million per year.<sup>1)</sup> In the public sector, it is common for contracts to extend over three years with an option for an extension, one year at a time, for at most two additional years. The proportion of recurring contracts is lower in the public sector than in the private sector, since contracts are subject to renewed procurement on expiry. Public sector contracts generally exceed SEK 587,000, requiring public procurement under the "Public Procurement Act", entailing prerequisite requirements and procurement skills.<sup>1)</sup>

**Increased ambitions from municipalities**

A number of municipalities in Sweden have as a target that residents should have green areas at most 300 meters from their homes, driving increased investment in new green areas.<sup>1)</sup> The Company believes that municipalities will continue to advocate green areas as these create a differentiated town/cityscapes, offer urban residents outdoor experiences, reduce the harmful effects of air pollution and act as social meeting places. Residential areas with green areas are more attractive and this is also reflected in housing prices. Demand has also been growing for advanced playgrounds, outdoor gyms, planters and artificial turf pitches, driving municipal initiatives in this area.<sup>1)</sup>

**Increased expenditure on green areas**

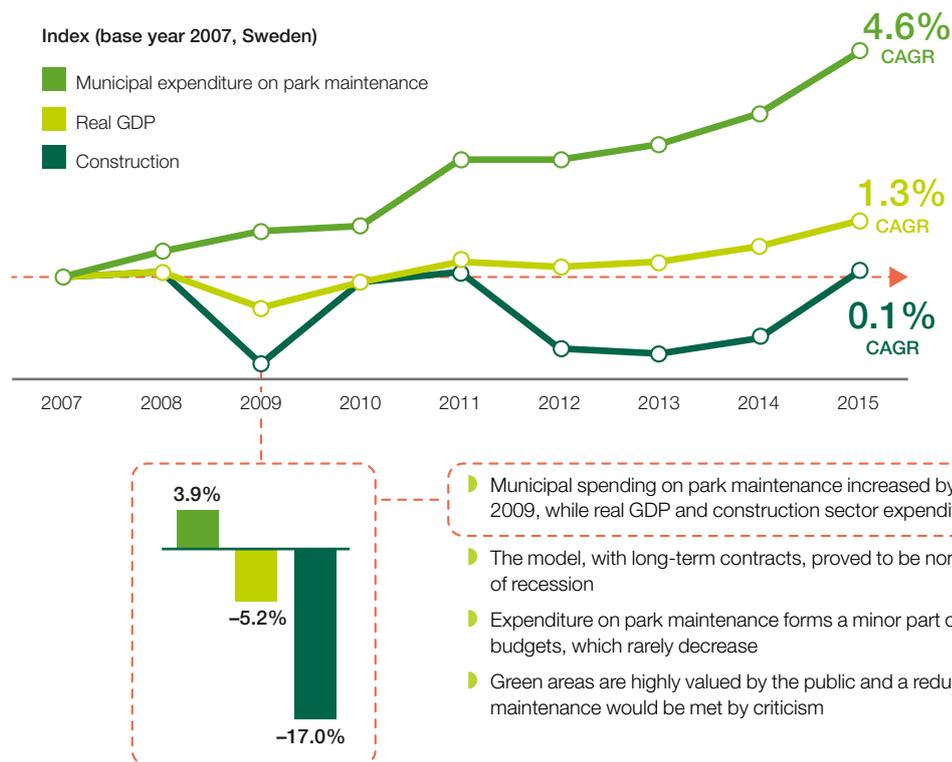
Municipal spending on green areas showed CAGR of 4.6 percent annually in 2007–2015. The cost index for maintenance of outdoor environments is expected to show a CAGR of 1.6 percent in 2016–2020.<sup>1)</sup> Green areas are highly valued by the public and a reduction in maintenance would quickly become apparent to the people who spend time in these areas, with the risk of incurring negative criticism. For municipalities, gardens are also an important factor in attracting new residents.

**Urbanisation**

Sweden is currently one of the countries in Europe with the fastest growing population. In January 2017, Sweden's population passed 10 million inhabitants and by 2025 the population is expected to be 11 million.<sup>2)</sup> In 2016, 24 percent of the country's population resided in Stockholm, Gothenburg or Malmö.<sup>3)</sup> These cities had an average annual population growth rate of 1.6 percent in 2010–2016, compared with 1.0 percent for the whole country over the same period.<sup>2)</sup> Urbanisation in Sweden is expected to reach about 90

1) Strategy& – 2017 Market Report.  
 2) Statistics Sweden – Sveriges framtida befolkning 2016–2060, 2016.  
 3) Husqvarna Global Garden Report 2012.

**DEVELOPMENT OF MUNICIPAL EXPENSES FOR PARK MANAGEMENT COMPARED WITH GDP AND CONSTRUCTION**



Source: Strategy& – 2017 Market Report.

percent by 2050.<sup>3</sup> Population growth, and even more the urbanisation, are contributing to greater demand for accessible outdoor environments. The rapidly growing population is also contributing to increased wear and tear on existing parks and outdoor environments, further increasing maintenance needs.

**Active lifestyles increase expectations on urban environments**

Green areas are often a high priority among residents and are subject to strong demand in urban environments. Several studies describe the positive health effects of green areas, including reduced stress and encouragement to exercise. Parks, green areas and other natural areas close to where we live are of great importance to opportunities for outdoor physical activity. When children spend a lot of time in green areas, their ability to concentrate is affected positively, they are more active and stay healthier.<sup>1</sup> A sedentary lifestyle can lead to poor mental health, increased risk of cardiovascular disease and obesity.<sup>2</sup>

In Sweden, residents have high expectations of green areas and it has grown increasingly important to be able to perform outdoor activities in towns and cities without having to travel substantial distances. According to a survey, approximately 60 percent of the Swedish population is willing to pay more for accommodation to have green areas nearby.<sup>3</sup>

**Increased demand for security**

There is increasing demand for safer outdoor environments where citizens want proper lighting, for example, to feel safer and to reduce the risk of injury during exercise after dusk. Municipalities have also begun to impose stricter demands on playgrounds being safer and meeting specific criteria.

**Robust and non-cyclical market**

Municipalities' spending on park maintenance has had a CAGR of 4.6 percent in 2007–2015. Over time, the market for maintenance of outdoor environments has proven non-cyclical and, in periods of declining GDP, the market has remained stable.<sup>4</sup> A contract-based market is one of the reasons for this, although neither companies nor municipalities stop maintaining outdoor environments during periods of recession. Public sector contracts have an average duration of three years with an option for an extension of one year at a time for at most two additional years.<sup>4</sup> The Company is observing similar contract lengths in the private sector. However, contracts are more frequently extended in the private sector, with the effect that customer relationships there are often longer than individual contract periods. In the future, average contract lengths are expected to increase further in both the private and public sectors, which may help improve stability, although the market will offer fewer opportunities to secure new contracts on the market.

1) Statens folkhälsoinstitut – Grönområden för fler, 2009.  
2) Statens folkhälsoinstitut – Fysisk aktivitet och folkhälsa, 2006.  
3) Husqvarna Global Garden Report 2012.  
4) Strategy& – 2017 Market Report.

**ENTRY BARRIERS**

For larger contracts in the outdoor environment maintenance market, several factors cause relatively high entry barriers for small and medium-sized players. Examples of such factors are described below.

**Stricter requirements for larger contracts**

The market’s entry barriers increase in line with the value of the contract due to the strict criteria imposed for winning major bids. The bidding process is governed by the “Public Procurement Act”, requiring public procurement for contracts valued at more than about SEK 587 thousand.<sup>1)</sup> Additionally, public procurement processes require prior skills and expertise in procurement. The complexity of public bidding processes means that smaller players are usually ruled out since they rarely meet the requirements, benefiting larger players.<sup>1)</sup> Public procurement requirements include, for example, a large-scale and wide range of quality certifications, such as ISO, experience from similar assignments, documented staff training, Swedish language skills, financial stability, safety requirements, environmental requirements and follow-up.<sup>1)</sup>

**Procurement procedures**

Typically, the sector’s own body of regulations, “General Provisions for Property Management and Service Contracts” is applied in procurement.<sup>2)</sup> These regulations are adapted for recurring services, such as operation, maintenance and

service, requiring contract-specific documents detailing the specific contract. Often, a detailed description of the scope of the contract is required regarding the execution, materials, personnel, communication and documentation for the contract, as well as a schedule and the supplier’s organisation and previous references. This imposes higher demands on the bidder, who also needs to understand the regulations and comply with them.<sup>2)</sup>

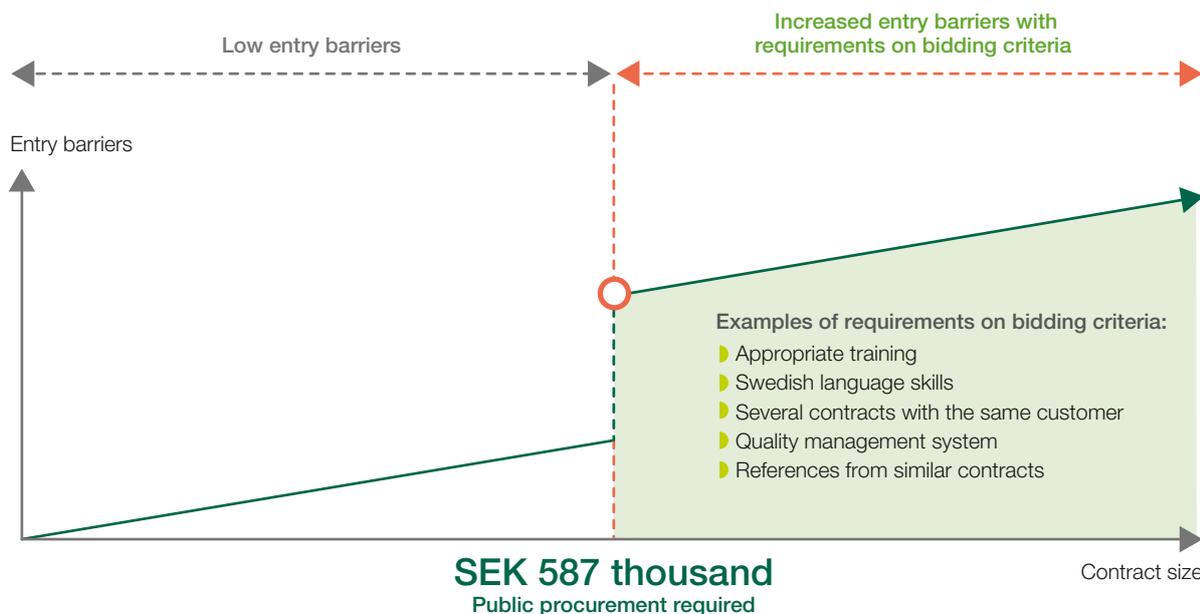
**Economies of scale**

The Company believes that larger companies, such as Green Landscaping, enjoy economies of scale and can compete with a broader range of services and lower prices compared with many smaller competitors. Generally, larger companies can offer lower prices as they often have better purchasing conditions and cost-effectiveness, and can use available machines and staff for multiple workplaces. Larger companies can also be assumed to be more reliable in terms of contractual delivery as they have a more flexible organisation and greater financial resources, increasing their capacity to address unforeseen events.

**Broader service offering**

In Green Landscaping’s perception, the market is seeking a broader range of services, which can be adapted to several segments and the prevailing season. To maintain an organisation with a complete service offering, skills are needed within each area – this takes a long time to achieve and is costly.

**STRUCTURAL ENTRY BARRIERS IN THE BIDDING PROCESS (INDICATIVE)**



Source: Strategy& report.

1) Strategy& – 2017 Market Report.  
 2) Aff – Forum for management and service.

**COMPETITIVE SITUATION**

Green Landscaping has a number of competitors in the Swedish market and these can be divided into the following categories: full-service companies, construction companies, cooperatives, property management companies and niche companies. Most of the major competitors operate at the national level and in all of Green Landscaping’s regions, while most of the smaller competitors operate at local level.<sup>1)</sup>

**Competition overview**

Type (Indicative market share)	Examples of companies	Focus area		
		Grounds maintenance	Landscaping	Niche service
Full-service companies (~50%)		●	●	●
Construction companies (~35%)		●	●	●
Cooperatives (~5%)		●	●	●
Property management companies (~5%)		●	●	●
Specialist companies (~5%)		●	●	●

Companies' segment focus: Core focus ● Presence ● No presence ●

Source: Strategy& report.

**Fragmented market with many smaller players**

Green Landscaping competes in a fragmented market that includes both major national players, as well as smaller local players. The Swedish market involves some 6,300 companies. The ten largest companies in the market have a combined market share of 30–35 percent.<sup>1)</sup> The smaller companies often work as subcontractors for larger companies. The management of Green Landscaping believes there to be scope for consolidation in the Swedish market. The other Nordic countries share several similarities with Sweden, with the larger companies holding a limited share of the market and there being many small and medium-sized players. This allows for consolidation in the Nordic market, with scope for players seeking to grow through acquisition.

**ESTIMATED FRAGMENTATION IN THE SWEDISH MARKET**

Sales	Number of companies	Market share
Sole trader	~5,000	10–15%
<10 SEK million	~1,200	20–25%
10–100 SEK million	~100	25–30%
>100 SEK million	~10	30–35%
<b>Total</b>	<b>~6,300</b>	<b>100%</b>

Source: Strategy& – 2017 Market Report.

1) Strategy& – 2017 Market Report.

### Pure-play providers

There are a small number of pure-play providers in the market who are able to present customers a comprehensive offer. These include Green Landscaping and Svensk Markservice, as well as other streamlined maintenance companies. The pure-play providers hold a market share of about 50 percent.<sup>1)</sup>

### Construction companies

The construction companies' principal focus is on infrastructure and construction projects in which they can utilise their technical skills in heavier contracting but also have a limited presence in grounds maintenance and landscaping. Construction companies active in the market include Peab, Skanska, NCC and Svevia. The construction companies hold a market share of about 35 percent.<sup>1)</sup>

### Cooperatives

Cooperative organisations include a large number of companies. Their principal strength is that they are large-scale players with capacity to utilise available equipment depots. Two examples of cooperatives active in the market are Farmartjänst and MR (Sveriges Maskinringar). The cooperatives in the Swedish market are primarily active in grounds maintenance and landscaping. The cooperatives hold a market share of about 5 percent.<sup>1)</sup>

### Property management companies

Property management companies have a limited presence in the market and pursue more opportunistic grounds maintenance activities. Two examples of property management companies active in the Swedish market are Coor Service Management and Alliance. Property management companies hold a market share of about 5 percent.<sup>1)</sup>

### Specialist companies

The specialist companies in the market are small in size and focus on specific areas where they are able to offer niche services and to pursue more opportunistic activities. Two examples of specialist companies active in the Swedish market are Jacksons Trädvård AB (arborist services) and GML Sport AB. The specialist companies hold a market share of about 5 percent.<sup>1)</sup>



1) Strategy& – 2017 Market Report.

Country	Market size (SEK)	Largest actors	Market share
 Denmark	12–14 billion	  	~11%
Norway	10–12 billion	  	~9%
Finland	8–10 billion	 	~4%

**OTHER PARTS OF THE NORDIC MARKET**

The addressable market for maintenance of outdoor environments in the rest of the Nordic countries was estimated at SEK 30–36 billion in 2016.<sup>1)</sup> The markets in the other Nordic countries share many similarities with the Swedish market, including culture, maturity, municipal procurement, fragmentation and preferences.

**Danish market**

The total size of the addressable market in Denmark was estimated at SEK 12–14 billion in 2016.<sup>1)</sup> Denmark has a milder climate, meaning that municipalities and companies alike spend more per capita on maintaining outdoor environments compared with Norway and Finland. The market is expected to show a CAGR of 5–6 percent for 2016–2020, driven by an increased focus on quality.<sup>1)</sup> Price levels are 10 percent higher than in Sweden due to there being less of a focus on price and increased interest in partnership agreements, leading to higher profitability in the market compared with Sweden.<sup>1)</sup> The Danish market has reached a certain degree of maturity and has a high proportion of outsourced services in both the private and municipal sectors. The Danish market has only a few larger players and these operate in several segments. The three largest players in the market hold a market share of about 11 percent.<sup>1)</sup> In addition to the major players, there are a large number of companies in the market that have annual sales of SEK 50–100 million. The province of Zealand and the Copenhagen area share considerable similarities with the Stockholm area, with a high proportion of new construction, high housing prices and high demand for attractive outdoor environments.<sup>1)</sup>

**Norwegian market**

The total size of the addressable market in Norway was estimated at SEK 10–12 billion in 2016.<sup>1)</sup> The market is expected to show a CAGR of 4–5 percent in 2016–2020, driven by new construction. Price levels in the market are higher than in Sweden due to the fact that service companies can demand higher compensation for skilled labour, contributing to higher profitability in the market compared with Sweden.<sup>1)</sup> The Norwegian market has reached a certain

degree of maturity and has a slightly smaller proportion of outsourced services than the Swedish market. Like Denmark, there are fewer municipal sector properties in Norway than in Sweden and, accordingly, the private sector is of considerable importance. The municipal sector in Norway is characterised by a large number of smaller municipalities, which makes it difficult for them to build up specialist expertise to operate maintenance of outdoor under their own auspices. The market has undergone consolidation in recent years but remains fragmented, with only a few companies with annual sales exceeding SEK 100 million. The 20 largest companies have higher average EBITDA-margins and sales growth than in Sweden. The three largest players in the market hold a market share of about 9 percent.<sup>1)</sup> To participate in contract procurement, companies must acquire a special service license available only if the company complies with specific criteria, such as working conditions for temporary workers.

**Finnish market**

The total size of the addressable market in Finland was estimated at SEK 8–10 billion in 2016.<sup>1)</sup> The market is expected to show a CAGR of 2–3 percent in 2016–2020.<sup>1)</sup> The weaker growth in the Finnish market is attributable to a lower level of new construction, resulting from weak population growth. Price levels are about 10 percent lower than in Sweden due to lower wages.<sup>1)</sup> In Finland, a larger share of private companies outsource and a smaller share of municipalities outsource compared with Sweden. In the future, the Helsinki area is expected to be the fastest-growing region, driven by construction and higher demand for outdoor environments compared with other parts of the country. As in Norway, the municipal sector in Finland has a large number of smaller municipalities, making it difficult for them to build up specialist expertise to operate maintenance of outdoor under their own auspices. The Finnish market is fragmented, with no company offering total solutions. The two largest players in the market hold a market share of about 4 percent. The Finnish market is highly immature and consists largely of smaller, local companies.<sup>1)</sup>

1) Strategy& – 2017 Market Report.



# BUSINESS DESCRIPTION

## INTRODUCTION

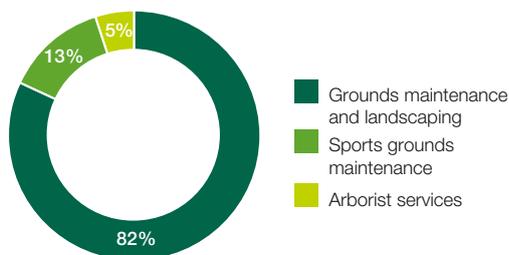
Green Landscaping considers itself Sweden's leading player in the segment for maintenance and landscaping of outdoor environments. Green Landscaping's business concept is to improve customers' outdoor environments by offering services focused on a high level of customer benefit and in accordance with the Company's long-term focus on sustainability and quality. The Company was formed in the spring of 2009 by means of FSN Capital III conducting a number of acquisitions and merging four players in the maintenance of outdoor environments. The board of directors, management and employees of the Company have been working actively to streamline the Company's operations and have implemented fundamental changes, resulting in improved margins and increased customer satisfaction. Today, Green Landscaping is directly and indirectly owned by FSN Capital III, the board of directors, management and employees of Green Landscaping and other shareholders.

Through seven of its nine, directly and indirectly, wholly owned subsidiaries, the Company operates throughout central and southern Sweden. The operations are divided

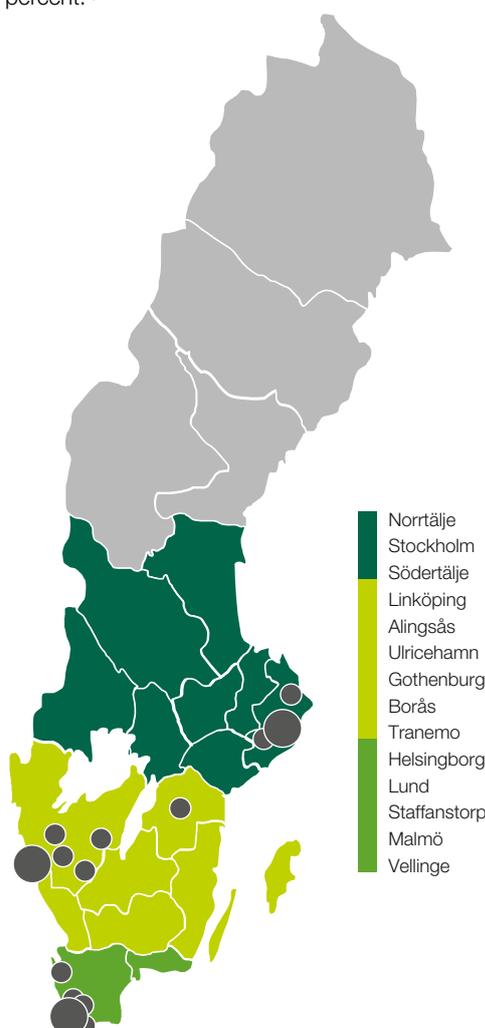
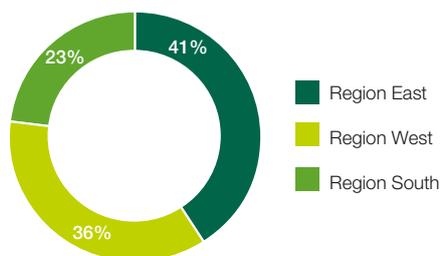
into the Regions: East, based in Stockholm; West, based in Gothenburg; and South, with offices in Malmö. The Company has a decentralised structure, based on key specialist functions for, e.g. finance, HR, purchasing and IT, in order to promote a strong local entrepreneurial spirit. With this philosophy, each region retains its local identity while affording individual regional managers considerable freedom and responsibility for local operations and business. For the financial year 2017, Green Landscaping's net sales amounted to SEK 791 million and net sales pro forma to SEK 997 million. The Company's total operating income pro forma amounted to SEK 1,016 million<sup>1)</sup> and the Company's adjusted EBITDA pro forma amounted to SEK 96 million, of which SEK 45 million is attributable to the four acquisitions the Company completed in 2017. In 2017, Green Landscaping's adjusted EBITDA-margin pro forma amounted to 9.4 percent.<sup>2)</sup>

## Overview of Green Landscaping's locations and net sales pro forma by segment and region

### PER SEGMENT, OUT OF TOTAL NET SALES PRO FORMA (2017)<sup>1)</sup>



### BY REGION, OUT OF TOTAL NET SALES PRO FORMA (2017)<sup>3)</sup>



- 1) Net sales and total operating income include pro forma full-year consolidation of acquisitions in 2017. For more information, refer to "Pro forma financial statement" – "Pro forma Income Statement January 1, 2017 to December 31, 2017 in summary" and "Pro forma key ratios" in the section "Pro forma financial statement".
- 2) For more information, see "Definitions of key ratios not defined by BFNAR" in the section "Selected historical financial information" and "Pro forma key ratios" and "Alternative pro forma key ratios not calculated by BFNAR" in the "Pro forma statements" section.
- 3) Estimation based on unaudited information obtained from Green Landscaping's internal reporting system per December 31, 2017.

### COMPANY BACKGROUND AND HISTORY

Green Landscaping was formed in 2009 on the initiative of FSN Capital III and a number of contractors through the merger of ISS Landscaping AB, Jungs Trädgårdsplanering Aktiebolag, Mark & Trädgårdsanläggare Sjunnesson AB och Qbikum Mark och Park AB, companies that had conducted operations individually for a long time. In 2010, the Company adopted the name Green Landscaping and Miljöbyggarna Stockholm Aktiebolag was acquired. Since then, the Company has developed into a full-scale supplier in the market for maintenance of outdoor environments. Between 2009 and 2014, the Company's strategy has been to increase its net sales and become a leading player in the market. During the period, companies including Jacksons Trädvård AB and GML Sport AB were acquired and total operating income amounted to SEK 746 million in 2015. The Company recruited Johan Nordström as its new CEO in 2015, thereby commencing the implementation of the Company's new strategy and building a platform for profitable growth while introducing an industrialised management process based on "Policy Deployment". For further information, see the section "Business description" – "Internal Governance, Follow-up and Measures". Since 2015, the Company has implemented a series of operational efficiency enhancements to increase profitability and create a platform for profitable growth. Major areas of focus have included

increasing the quality of the Company's services, pricing and achieving a reduction in the cost base. A major restructuring process was also carried out between 2015 and 2017, when Stockholm Anläggning, a former district and growth initiative in Region East that had not developed satisfactorily, was closed due to low profitability, which had a negative impact on net sales. In 2015–2016, the Company's net sales decreased by 10 percent from SEK 751 million in 2015 to SEK 673 million in 2016. During 2015–2017, the Company's EBITDA-margin increased by 5.8 percentage points as a result of the implementation of the new strategy and the restructuring of operations.<sup>1)</sup> The Company has grown fundamentally stronger and also had a significant increase in customer satisfaction during the period, with its "Net Promoter Score" rising from – 13 percent in 2015 to 24 percent in 2017. Since 2017, the Company has focused on profitable growth, based partly on organic growth, but also on growth through acquisitions. In 2017, the Company made four acquisitions of the Companies Björnentreprenad AB ("Björnentreprenad"), Tranemo Trädgårdstjänst AB ("Tranemo Trädgårdstjänst"), J E Eriksson Mark & Anläggningsteknik ("J E Mark") and Svensk Jordelit AB ("Jordelit"), resulting in a stronger presence in Region East and Region West in Sweden, as well as in the sports facilities niche.

Year	Event
2009	Landscape Services Group is established by FSN Capital III, through the merger of ISS Landscaping AB, Jungs Trädgårdsplanering Aktiebolag, Mark & Trädgårdsanläggare Sjunnesson AB and Qbikum Mark och Park AB.
2010	The Company's brand is changed to Green Landscaping. Miljöbyggarna Stockholm Aktiebolag is acquired. <sup>2)</sup>
2011	The Company meets all of the requirements for the quality and environmental standards and is ISO certified in accordance with the ISO 9001 and ISO 14001 management systems.
2012	The Company secures a record-scale agreement with the Municipality of Norrtälje, including maintenance of parks, streets and green areas in Norrtälje and its environs.
2013	The Company acquires Jacksons Trädvård, a specialist in arboriculture, forestry and nature conservation. The Company changes the orientation of Stockholm Anläggning's operations and identifies it as a new growth area.
2014	The Company acquires GML Sport, a specialist company active in sports grounds maintenance.
2015	The Company employs Johan Nordström as its new CEO and the management team is reorganised. This commences the implementation of the Company's new strategy and governance process.
2015	The Company resolves to close down Stockholm Anläggning.
2015–2016	The Company shifts its focus towards improved margins, quality, customer satisfaction and productivity.
2016	Since the second half of 2016, the company has again focused on growth. The Company sees a significant improvement in customer satisfaction.
2017	The Company makes four acquisitions – Björnentreprenad, Tranemo Trädgårdstjänst, J E Mark and Jordelit.

1) For more information, see "Definitions of key ratios not defined by BFNAR" in section "Selected historical financial information".

2) Miljöbyggarna Stockholm Aktiebolag was consolidated with the Company by merger in December 2016 and is no longer a subsidiary.

## STRENGTHS AND COMPETITIVE ADVANTAGES

Management believes the Company has a number of strengths and competitive advantages, including:

- ▶ Full-service offering in all segments of the market for maintenance of outdoor environments
- ▶ Diversified portfolio with long-term contracts and good visibility
- ▶ Industrialised platform for increased profitability and growth
- ▶ Structured bidding process with a strong local presence
- ▶ Economies of scale with a leading position in the market
- ▶ Experience of value-generating acquisitions in a fragmented market

### Full-service offering in all segments of the market for maintenance of outdoor environments

Green Landscaping is one of few companies with a full-service offering in the segment grounds maintenance and landscaping, maintenance of sports grounds, arborist services. Through its wide range of services, Green Landscaping can assume overall responsibility for maintenance of parks and urban areas, thereby increasing customer benefit and allowing the Company to benefit from economies of scale.

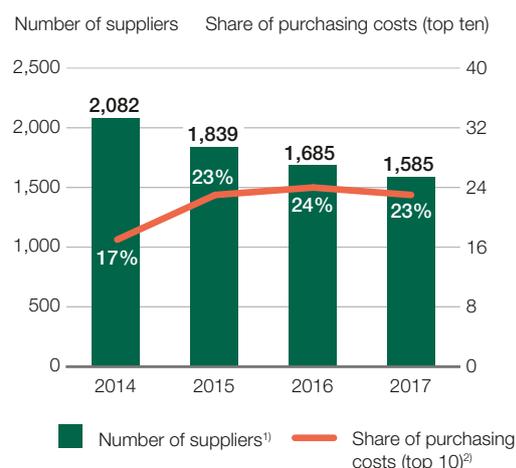
### Diversified portfolio with long-term contracts and good visibility

The Company has a diversified contract portfolio in both the public and private sectors, extending across several geographic regions. The company has a good overview of future earnings, as its contracts are long-term, usually extending for three to five years, often with an optional extension of a further two to four years. The Company has more than 250 contracts, the ten largest accounting for about 19 percent of the Company's total sales. For further information, see the section "*Customers and contract portfolio*".

### Industrialised platform for increased profitability and growth

In recent years, Green Landscaping has introduced a series of initiatives to increase optimisation and efficiency in the Company's internal processes, with more than 70 Kaizen projects<sup>1)</sup> completed. Green Landscaping works with internal control systems, such as "Policy Deployment" and "LEAN" to streamline its operations, resulting in an improved EBITDA-margin from 1.9 percent in 2015 to 7.7 percent in 2017.<sup>2)</sup> At the same time, the Company's net sales increased by 5 percent, from SEK 751 million in 2015 to SEK 791 million in 2017. The gross margin has been increased, largely as a result of lower direct costs, such as acquisition costs, following a consolidation of the Company's suppliers. The Company has managed to reduce the number of suppliers from 2,082 in 2014 to 1,585 in 2017, with the ten largest suppliers accounting for 23 percent of the Company's

## SHARE OF TOTAL PURCHASING COSTS PER SUPPLIER



Information based on unaudited information obtained from Green Landscaping's internal reporting system.

1) Excluding Stockholm Anläggning

2) Top ten suppliers/subcontractors' share of Green Landscaping's total purchasing costs

procurement costs in 2017, compared to 17 percent in 2014. For further information, see the section "*Description of operations – internal governance, follow-up and measures*".

### Structured bidding process with a strong local presence

In a market with many small-scale players, Green Landscaping offers competitive advantages through its full-service offering and a structured bidding process, giving significant negotiating power in contract procurement. The Company's highly decentralised structure, with a high level of local expertise, contributes to an efficient division of responsibilities in bidding processes, strong customer relations and a comprehensive knowledge of various types of projects and contracts. Overall, this establishes the conditions for the Company to achieve a strong local market position that, in turn, offers substantial advantages in bidding processes. Green Landscaping often achieves superior results on "soft" criteria, such as documented experience and presentation, improving the competitive situation.

### Economies of scale with a leading position in the market

Green Landscaping is one of the major companies in the market and is able to compete based on its significant economies of scale and wider service offering, as well as lower prices compared with many competitors. This is facilitated by the Company having more efficient management and administrative functions. Green Landscaping has increased its efficiency by reducing costs through coordinated purchasing and use of equipment. Green Landscaping has focused on consolidating the number of workplaces, which has allowed

1) Kaizen Project: Projects to achieve continuous quality improvements in a company through minor modifications.

2) For more information, see "*Alternative key ratios not calculated by BFNAR*" and "*Definitions of key ratios not defined by BFNAR*" in the "*Selected historical financial information*" section.

the Company to be able to reduce the number of employees. Green Landscaping has also reduced the number of suppliers and, because the Company is able to place larger orders with existing suppliers, purchasing terms have improved. The process of improving purchasing terms is expected to continue in the future, and is highly prioritised within the organisation.

**Experience of value-generating acquisitions in a fragmented market**

Green Landscaping has a proven and well-functioning acquisition model with an attractive offering to entrepreneurs. Green Landscaping is viewed as an attractive employer for smaller companies, which, historically, has enabled the Company to acquire companies at attractive valuations, usually within the range of 2.5–5x EBITDA (without taking synergies and earn outs into account). According to the Company, growth can be achieved through acquisitions at lower risk than through organic growth, since the Company is able to selectively identify companies with a well-functioning organisation that already have staff in place. This means the Company need not secure contracts or break into markets by means of price pressure. Historically, after completing acquisitions, Green Landscaping has achieved,

on average, an improved EBITDA-margin of approximately 3–5 percentage points in the acquired companies, stemming from structured cost synergies and efficiency enhancements. For further information, see the section “Acquisitions”.

**VISION, BUSINESS CONCEPT AND BUSINESS MODEL**

**Vision**

Create a green city for all through enterprise, social responsibility and sustainable business.

**Business concept**

Green Landscaping’s business concept is to improve customers’ outdoor environments by offering services focused on a high level of customer benefit and in accordance with the Company’s long-term focus on sustainability and quality.

**The Green model**

Green Landscaping’s decentralised organisational structure enables the advantages of both strong local knowledge and shared central functions to be exploited to deliver a full-service offering to customers.



***Sustainability and passion for the environment***

Green Landscaping's sustainability work forms an integral and natural part of the Company's operations, and permeates the entire organisation. The principal objective of the sustainability work is to support Green Landscaping's operational targets and contribute to entrepreneurship, social responsibility and sustainable business, but also to create a green city for all and build a sustainable society. For further information, see the section "*Sustainability*".

***Local market leader***

The Company's decentralised structure, with a high level of local expertise within each regional unit, enables Green Landscaping to achieve a strong local market position. The Company has built strong customer relations with favourable references and a concentrated knowledge of various types of projects and contracts, generating substantial value for both the Company and its customers, while also offering advantages in bidding processes. Through the Company's strong local positions and its ability to steer bidding processes towards "soft" criteria, such as expertise and references, an improved competitive environment is created for Green Landscaping.

***Decentralised organisation with strong entrepreneurial culture***

Green Landscaping's decentralised organisational structure benefits enterprise and accountability at all levels of the organisation. The self-determination that the Company offers its regional managers encourages them to use their knowledge of the local market to deliver strong results while upholding strong ethical standards and business morale. The company encourages cooperation and cross-selling between regional units, allowing Green Landscaping to compete effectively for complex, large-scale projects, such as region-wide service agreements, and to generate increased sales through joint projects and shared customers.

***Cost-efficient business model***

Green Landscaping's organisation is pervaded by a high level of cost awareness, governed by close cooperation between the Company's regional units and its central organisation. In addition to collaboration, a cost-conscious organisation enables strong local leadership combined with well-established, group-wide procedures, such as continuous performance monitoring and analysis of key ratios. The company continuously strives to increase cost-efficiency, through, among other things, supplier consolidation and efficiency enhancements aided by "LEAN".

Green Landscaping works actively with purchasing by coordinating and standardising purchasing processes within the Group. Historically, the Company has achieved cost synergies by negotiating all purchasing contracts centrally within the organisation. In the Company's assessment, there is still potential to reduce purchasing costs by improving existing procurement processes, strengthening systems support and negotiating core framework agreements, thereby benefiting from economies of scale. Improvements in the purchasing process facilitate, in part, customer benefits, as well as greater margins. Coordinated purchasing is also a source of synergies, since Green Landscaping generally enjoys more favourable purchasing terms than the companies acquired.

***Diversified revenue model***

The Company's contract-based business model offers revenue through two different pricing models, consisting of fixed contract fees respectively upselling and project-based revenues.

Fixed contract revenues and upselling accounted for 68 percent of Green Landscaping's net sales in 2017 and comprise the segments grounds maintenance, sports grounds maintenance and arborist services.<sup>1)</sup> Contract periods normally extend over 3 to 5 years, generating predictable revenues.

The Company's other revenue stream, project-based revenues, represented 32 percent of Green Landscaping's net sales in 2017 and comprises project-based contracts in the areas of landscaping, sports grounds maintenance and arborist services<sup>1)</sup> Project-based revenue generally derives from the Company's existing service contracts.

Green Landscaping strives to select contracts with care, avoiding contracts with a high degree of risk and poor profitability. Additionally, through its long-term contracts and a good overview of the order backlog, the Company has predictable cash flow.

1) Estimated based on unaudited information obtained from Green Landscaping's internal reporting system as per 31 December 2017.

**STRATEGY**

**Establish local platform**

Green Landscaping strives to build strong local market positions by establishing local platforms, which is achieved by securing large-scale public contracts. These contracts then form the basis for securing smaller contracts, thereby achieving local expansion. In addition, Green Landscaping’s complete service offering for maintenance of outdoor environments, capacity to deliver quality services cost-efficiently and structured bidding process are crucial factors in securing large-scale public contracts and differentiating the Company from its competitors. According to the Company, significant costs, experience, expertise and time would be required to replicate the Company’s existing platform.

**Expand local presence**

Green Landscaping intends to benefit from the anticipated market growth and strengthen its position in the regions where the Company is active to continue to grow and strengthen Green Landscaping’s position on existing markets and expanding into new geographic markets. Once the Company has secured large-scale public contracts, Green Landscaping’s operations can be expanded locally through additional smaller-scale contracts. Local references create a strong local brand, providing a competitive position in the local market. With an established local platform and local resources in place, the Company can achieve economies of scale with equipment being utilised more of the time and savings being made in purchasing.

Once Green Landscaping has truly reinforced its position in a local market, further expansion can take place into adjacent regions. Green Landscaping aims to expand into new market areas in Sweden but also perceives considerable potential in Denmark, Norway and Finland – geographic markets where the Company is not currently present. According to the Company’s assessment, these countries show similar characteristics to Sweden in terms of growth, profitability and market attributes, meaning that Green Landscaping’s full-service offering would suit them well.

**Safeguard leading position through increased customer benefit**

Green Landscaping strives to safeguard a leading position in local markets by increasing customer benefit. With locally established contracts, relationships and resources, as well as local market knowledge, Green Landscaping is able to safeguard a leading position, and create barriers for entry of competitors. As the Company strengthens its position in local markets, significant cost synergies can be achieved, as well as improved negotiating power in bidding processes. With an established and leading position, expansion to nearby cities and municipalities is made possible, establishing favourable conditions for continued market consolidation.

*Case study small town*

Expand local platform	Expand local presence	Safeguard leading position through increased customer benefit
<ul style="list-style-type: none"> <li>▶ The Company has secured three out of four public contracts by offering competitive pricing with comprehensive contracts.</li> <li>▶ Green Landscaping has scored high on “soft” bidding criteria, such as descriptions of how services are executed.</li> </ul>	<ul style="list-style-type: none"> <li>▶ With local resources in place, the Company was able to add approximately 40 additional contracts, thereby strengthening its local position.</li> <li>▶ With several contracts in the town, Green Landscaping was able to establish more efficient routes with shorter distances between the various contract sites.</li> </ul>	<ul style="list-style-type: none"> <li>▶ With a continued focus on increased customer benefit, the Company is seeking to secure the fourth and final major public contracts in the town.</li> <li>▶ Once the Company has secured a leading position, further expansion into adjacent regions can take place.</li> </ul>



### **Continued growth through acquisitions**

Acquisitions form a central component in the Company's growth strategy and Green Landscaping is continuously identifying attractive acquisition candidates to strengthen its market position and expand into new geographic markets in Sweden, as well as in Denmark, Norway and Finland. Green Landscaping will continue to identify acquisition candidates with profitable and strategic contract portfolios, enabling synergies and establishing a good platform for a strong market position and continued growth.

### **Enhancing efficiency of operations**

In recent years, Green Landscaping has introduced a series of strategic initiatives to optimise and streamline the Company's processes. The Company has implemented a decentralised organisational structure, in which responsibility has shifted from central to regional governance, with regional managers who have close contacts with customers and good knowledge of local markets. The Company has also focused on improving existing processes using "LEAN", an internal control system, "Policy Deployment" to continuously improve the Company's operations and focus on activities that generate value for the customer. Efficiency enhance-

ments aided by "LEAN" have entailed consolidation of the supplier base and the introduction of a coordinated purchasing process, improved employee productivity, and the discontinuation of unprofitable contracts with low margins. The initiatives have resulted in significant cost savings and improved profitability for the Company. Green Landscaping continues to focus on increased optimisation and efficiency, which will be achieved through industrialisation, improvement of existing processes, structured follow-up and, ultimately, by generating greater customer value.

### **Sustainability**

Green Landscaping is striving to contribute to a sustainable society through sustainable entrepreneurship and social responsibility. The Company will actively work with education programs for immigrants and long-term unemployed to integrate them into society and reduce their alienation. In addition, Green Landscaping will work on the Company's environmental policy to reduce the Company's environmental impact and compensate for carbon dioxide emissions. Green Landscaping will achieve sustainable profitability by focusing on quality, price and cost.

**FINANCIAL TARGETS**

Below, Green Landscaping’s financial goals are presented on medium term. For more information on key ratios, see “Selected historical financial information” – “Alternative key ratios not calculated by BFNAR” and “Selected historical financial information” – “Definitions of key ratios not defined by BFNAR”.

**Organic growth**

Organic net sales growth are expected in line with the market of 5 percent on average.

**Acquired growth**

The goal is to grow on average by 15 percent per year. The goal is expressed as a run-rate number (pro forma). The actual acquired net sales growth can be lower or higher than the target depending on the market conditions.

**Profitability**

The target is to achieve an EBITDA-margin of 11 percent.

**Capital structure**

Net debt in relation to EBITDA, excluding temporary deviations, shall not exceed a multiple of 2.5.

**Dividend policy**

The goal is that approximately 40 percent of the year’s results are distributed as dividends. The dividend proposal will take into account Green Landscaping’s long-term development potential, financial position as well as investment needs.

**SEGMENTS**

The Company’s operations are divided into three operating segments: Grounds maintenance and landscaping, sports grounds maintenance, as well as arborist services. A description of each area is provided below.

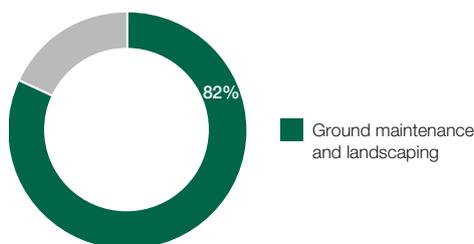
**Grounds maintenance and landscaping**

Grounds maintenance and landscaping accounted for 82 percent of the Company’s net sales pro forma in 2017. Within grounds maintenance, the Company offers a full range of maintenance services for parks, gardens and green areas, including lawn mowing, weeding, cleaning, renovation, planting and simpler ground and construction work. Snow removal and gritting are also offered in the wintertime. Customers are primary county councils, municipalities, property managers, housing companies and others who own or manage land with green areas in cities.

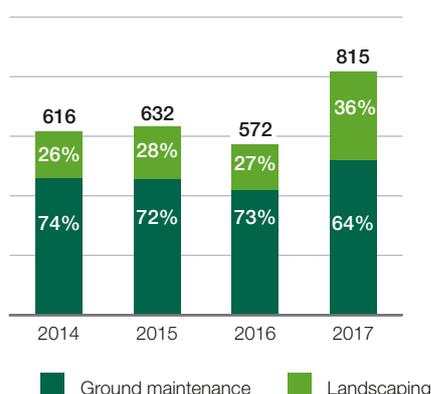
In landscaping, Green Landscaping offers a wide range of surface planning, surface design and lighting design services, as well as renovation of parks, green spaces, and assembly of playgrounds and outdoor gym facilities. The Company also offers groundwork in connection with development, earth removal, drainage, water and sewerage.

Grounds maintenance and landscaping are closely linked, with landscaping often taking the form of additional sales in connection with ongoing grounds maintenance contracts.

**OUT OF TOTAL NET SALES PRO FORMA (2017)<sup>1)</sup>**



**NET SALES PRO FORMA, SEK MILLION<sup>1)</sup>**



Net sales pro forma divided between business areas grounds maintenance and landscaping is estimated on unaudited information obtained from Green Landscaping’s internal reporting system.

1) Net sales for the segment is adjusted for exclusion of Stockholm Anläggning and include pro forma full-year consolidation of acquisitions in 2017. The segment’s net sales for 2014 and 2015 are based on unaudited information obtained from Green Landscaping’s internal reporting system. The segment’s net sales for 2016 and 2017 are based the Company’s audited annual reports for the financial year that ended on the 31 december 2017. For more information on the segment’s net sales in 2016–2017, see “Selected historical financial information” – “Consolidated income statement in summary”, “Pro forma financial statement” – “Pro forma income statement January 1, 2017 to December 31, 2017 in summary” and “Pro forma key ratios” in the “Pro forma financial statement” section.

For each financial year, Company management estimates the share deriving from the contracting part in grounds maintenance and additional sales in landscaping. The estimated distribution, based on the above net sales pro forma for the period 2014–2017, is illustrated in the graph above.

From 2014 to 2017, Green Landscaping's net sales (pro forma 2017) in the segment increased by 32 percent, from SEK 616 million to SEK 815 million.<sup>1)</sup> The positive trend in net sales pro forma is a consequence of the Company's acquisition of Tranemo Trädgårdstjänst, Björnentreprenad and J E Mark, which was completed in 2017. The decline in sales in 2015–2016 was a consequence of a conscious strategy to discontinue Stockholm Anläggning and of the Company's increased margin requirement for new projects. In 2017, an average 484 full-time employees spent most of their working hours doing grounds maintenance and landscaping.

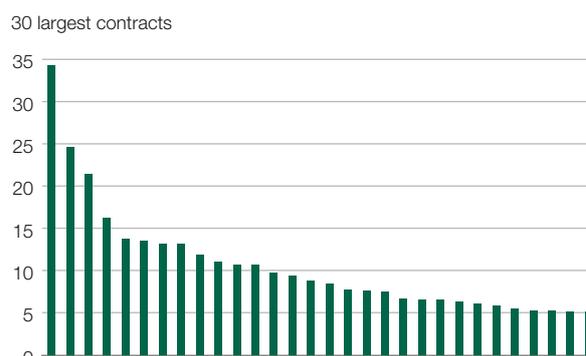
### Sub-segments

#### Grounds maintenance

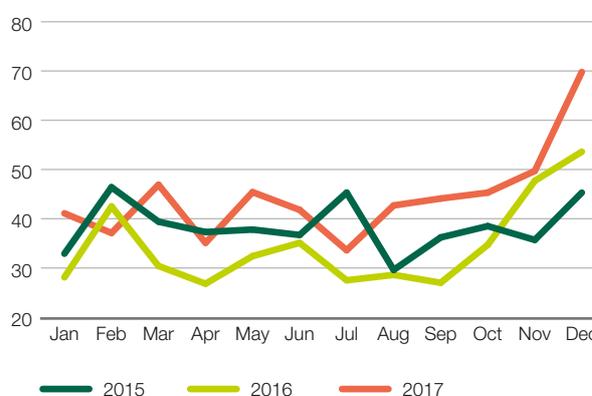
Grounds maintenance is Green Landscaping's largest sub-segment and accounted for 52 percent of the Company's net sales pro forma in 2017. Green Landscaping's largest market in grounds maintenance is Region East, which accounted for 50 percent of the sub-segment's net sales pro forma in 2017.<sup>2)</sup>

Grounds maintenance is characterised by multi-year, all-season contracts, usually over a period of three to five years with a possible extension of two to four years. For tenant-owner housing associations, contracts are normally for one year at a time, with annual renewal. As of 28 February 2018, Green Landscaping held 146 major grounds maintenance contracts with an average value of approximately SEK 3.1 million annually.<sup>3)</sup> The subsection grounds maintenance has shown stronger sales in the fourth quarter since 2015.

### ANNUAL CONTRACT VALUE, SEK MILLION (AS PER 28 FEBRUARY 2018)<sup>3)</sup>



### SEASONAL VARIATIONS, SEK MILLION (2015–2017)



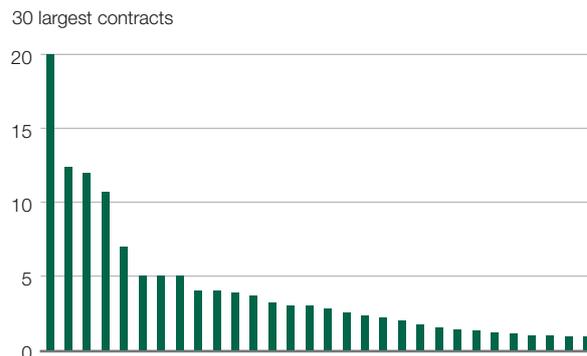
Seasonal variations include pro forma full-year consolidation of acquisitions in 2017. Estimate based on unaudited information obtained from Green Landscaping's internal reporting system.

- 1) Net sales for the segment were adjusted for excluding Stockholm Anläggning, including pro forma full-year consolidation of acquisitions in 2017. The segment's net sales for 2014 and 2015 are based on unaudited information obtained from Green Landscaping's internal reporting system. The segment's net sales for 2016 and 2017 are taken from the Company's audited annual report for the financial year ended 31 December 2017. For more information on the segment's net sales in 2016–2017, see "Selected historical financial information" – "Consolidated income statement in summary" and "Pro forma financial statement" – "Pro forma income statement January 1, 2017 to December 31, 2017 in summary", and "Pro forma key ratios".
- 2) Net sales for the sub-segment include pro forma full-year consolidation of acquisitions in 2017. Estimate is based on unaudited information obtained from Green Landscaping's internal reporting system.
- 3) Annual contract value including the Company's estimate for additional sales.

*Landscaping*

The sub-segment landscaping accounted for 30 percent<sup>1)</sup> of Green Landscaping’s net sales pro forma in 2017. Green Landscaping’s largest market in landscaping is Region West, which accounted for 81<sup>1)</sup> percent of the sub-segment’s net sales pro forma in 2017. Landscaping is characterised by a large number of smaller contracts valued at up to SEK 1 million. Contracts generally involves projects that are paid for on completion of the work. Landscaping projects are carried out in smaller stages, entailing reduced project risk, and the largest projects have a contract value of SEK 10–20 million. As of 28 February, 2018, Green Landscaping held 61 major landscaping contracts with an average value of approximately SEK 2.3 million per contract.<sup>2)</sup> The sub-segment landscaping has shown weaker sales for the first quarter because work is usually not carried out in winter. Sales have also been weaker during the summer period.

**ANNUAL CONTRACT VALUE, SEK MILLION  
(AS PER 28 FEBRUARY 2018)<sup>2)</sup>**



**SEASONAL VARIATIONS, SEK MILLION (2015–2017)**



Seasonal variations include pro forma full-year consolidation of acquisitions in 2017. Estimate based on unaudited information obtained from Green Landscaping’s internal reporting system.

1) Net sales for the sub-segment include pro forma full-year consolidation of acquisitions in 2017. Estimate based on unaudited information obtained from Green Landscaping’s internal reporting system.  
 2) Annual contract value including the Company’s estimate for additional sales.

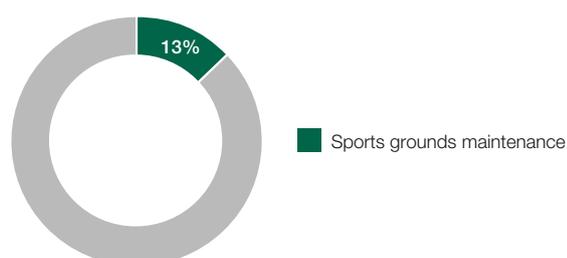
### Sports grounds maintenance

In the segment sports grounds maintenance, through subsidiaries GML Sport and Svensk Jordelit, the Company offers advice, products and maintenance for sports and leisure facilities as well as arenas for both outdoor and indoor sports, including golf courses and football fields. Services such as construction of sports areas, hybrid grass, natural grass and rubberised asphalt are also offered. Several of the services offered within sports grounds maintenance are complex and require a higher level of skill, such as drainage of football fields. Green Landscaping maintains sporting grounds in several municipalities around Sweden. In addition to municipalities, customers are commonly golf clubs and football associations. Furthermore, the Company cooperates with the Swedish Football Association and the Swedish Greenkeepers Association in the maintenance of arenas and facilities. The operating segment sports grounds maintenance accounted for 13 percent<sup>1)</sup> of Green Landscaping's net sales pro forma in 2017. In 2017, an average 52 full-time employees spent most of their working hours within this

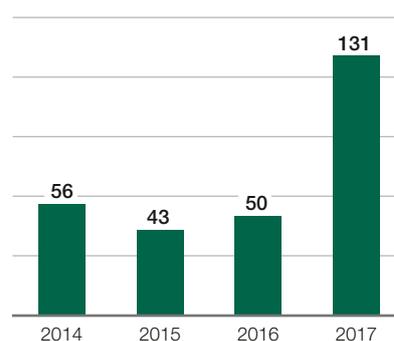
segment. From 2014 to 2017, Green Landscaping's net sales (pro forma 2017) in the segment increased by 132 percent, from SEK 56 million to SEK 131 million.<sup>1)</sup> The positive trend in net sales pro forma is a consequence of the Company's acquisition of Svensk Jordelit AB in 2017.

GML Sport's operations are mainly characterised by multi-year contracts, usually over a three-year period with a possible extension of three to four years. Projects that are paid for on completion also occur. As of 28 February 2018, Green Landscaping held twelve major sports grounds maintenance contracts with an average value of approximately SEK 2.7 million annually.<sup>2)</sup> In addition, Svensk Jordelit's operations are characterised by advisory services and online sales of products for sports and leisure facilities. Other segment revenues consist of sales of machinery and equipment. After the acquisition of Jordelit, the segment for sports ground maintenance has stronger sales during the first part of the year when customers need to look after their green areas after the winter.

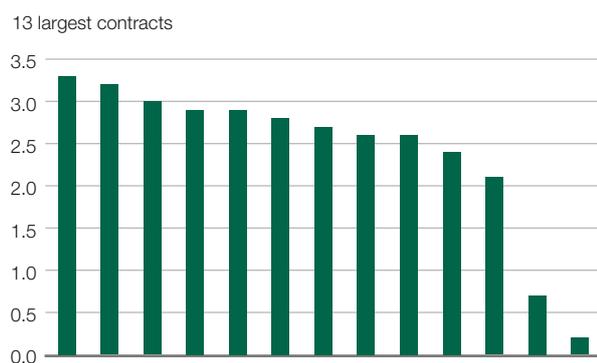
### OUT OF TOTAL NET SALES (PRO FORMA 2017)<sup>1)</sup>



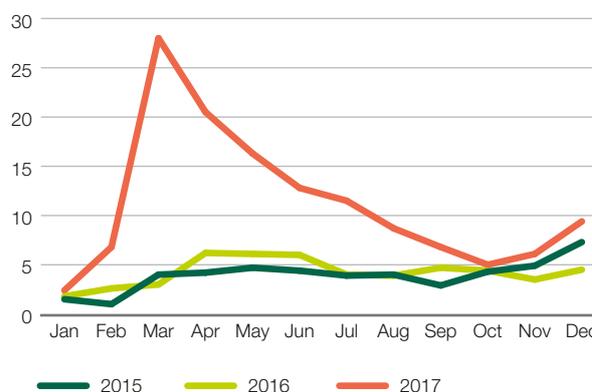
### NET SALES DEVELOPMENT (PRO FORMA 2017), SEK MILLION<sup>1)</sup>



### ANNUAL CONTRACT VALUE, SEK MILLION (AS PER 28 FEBRUARY 2018)<sup>2)</sup>



### SEASONALITY, SEK MILLION (2015–2017)



Seasonal variations include pro forma full-year consolidation of acquisitions in 2017. Estimate based on unaudited information obtained from Green Landscaping's internal reporting system.

1) Net sales for the segment include pro forma full-year consolidation of acquisitions in 2017 and is adjusted for exclusion of Wheels4u. The segment's net sales for 2014 and 2015 are based on unaudited information obtained from Green Landscaping's internal reporting system. The segment's net sales for 2016 and 2017 are obtained from the Company's audited annual report for the financial year ended December 31, 2017. For more information on the segment's net sales in 2016–2017, see "Selected Historical Financial Information" – "Consolidated Income Statement", "Pro forma financial statement" – "Pro forma income statement January 1, 2017 to December 31, 2017 in summary" and "Pro forma key ratios".

2) Annual contracts value including the Company's estimate for additional sales.

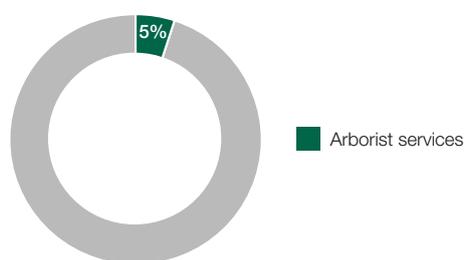
**Arborist services**

Arborist services offer consultation, planting, tree removal, tree pruning and wood-chip handling. Assignments may include arborist services to improve the aesthetics of trees in street environments, facilities, parks and gardens, tree pruning to increase safety and accessibility along roads, walkways and cycle paths, as well as felling of risk trees in difficult locations where normal tree felling methods cannot be used. Customers consist of major landowners, such as municipalities and central government authorities, but also property owners, construction companies, tenant-owner housing associations and community associations. Arborist services accounted for 5 percent<sup>1)</sup> of Green Landscaping's

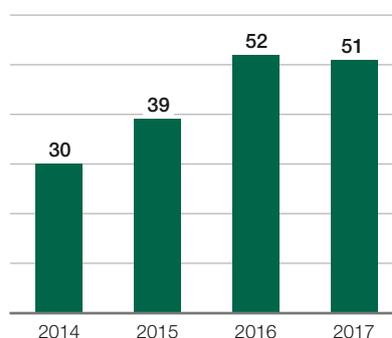
net sales pro forma in 2017. In 2017, an average 53 full-time employees spent most of their working hours within this segment. From 2014 to 2017, Green Landscaping's net sales in the segment increased by 68 percent, from SEK 30 million to SEK 51 million.<sup>1)</sup>

Contracts in the arborist services segment typically include longer-term framework agreements or smaller assignments at hourly rates. Per 28 february 2018, Green Landscaping had 23 major arborist service contracts with an average value of approximately SEK 2.4 million annually.<sup>2)</sup> The arborist service segment has shown stronger sales in the latter part of the year.

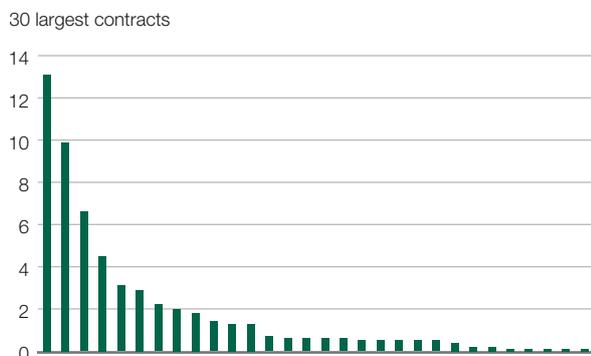
**OUT OF TOTAL NET SALES (PRO FORMA 2017)<sup>1)</sup>**



**NET SALES DEVELOPMENT (PRO FORMA 2017) SEK MILLION<sup>1)</sup>**



**ANNUAL CONTRACT VALUE, SEK MILLION (AS PER 28 FEBRUARY 2018)<sup>2)</sup>**



**SEASONAL VARIATIONS, SEK MILLION (2015–2017)**



Seasonal variations include pro forma full-year consolidation of acquisitions in 2017. Estimate based on unaudited information obtained from Green Landscaping's internal reporting system.

1) The segment's net sales for 2014 and 2015 are based on unaudited information obtained from Green Landscaping's internal reporting system. The segment's net sales for 2016 and 2017 are taken from the Company's audited annual report for the financial year ended 31 December 2017. For more information on the segment's net sales in 2016–2017, see "Selected historical financial information" – "Consolidated income statement in summary", "Pro forma financial statement" – "Pro forma income statement January 1, 2017 to December 31, 2017 in summary" and "Pro forma key ratios".  
 2) Annual contract value including Company estimate for additional sales.

### STRUCTURED BIDDING PROCESS

In 2017, Green Landscaping began implementing a standardised and thorough bidding process to implement the Company's strategy. A central part of the bidding process involves having a good understanding of the customer's needs, which the Company ensures through communication and cooperation between the Company's local and central management. Sales are coordinated within the Group through weekly meetings at which optimum execution is discussed. In addition, the Company ensures that the appropriate resources and skills are devoted to each bidding process.

The potential value of the contract determines which parts of the Company's management team are involved in procurement. Contracts with a value of less than SEK 0.5 million annually are handled by the Company's local area managers, supported by regional managers as necessary. Contracts with a value of SEK 0.5 million to SEK 5 million are handled by local area managers together with regional managers. For contracts with a value exceeding SEK 5 million annually, the Company's central management team is also involved.

### Bidding process

The bidding process starts with identifying potential contracts. Private contracts are identified at the regional management level while public contracts are identified through various databases. Private procurement procedures differs from public ones in that private tenders are not disclosed and customers tend to stay with a service provider as long as they are satisfied with that supplier's delivery. Consequently, local relationships are important in the private sector, and good customer relations are secured by means of the Company's decentralised organisation with regional managers who have local experience and established networks.

The remaining stages follow a similar structure in both private and public bidding processes, with customer meetings to determine the scope and potential of the contract, also offering opportunities for custom made solutions for the customers. The Company then makes a more in-depth analysis of resource and procurement requirements to determine the scope and price of the contract. The Company establishes a group of people, skilled in various areas, to calculate the bid using established templates and databases. As a final step in the bidding process, Green Landscaping presents its full-service offer for the customer. According to the Company, Green Landscaping often scores high on "soft" bidding criteria, largely due to documented experience and the Company's professional bidding process. Green Landscaping has a systematic sales and follow-up process with an advanced CRM system. The Company reports on its sales targets and order bookings on a weekly basis, and follows up on its governance documents each month.

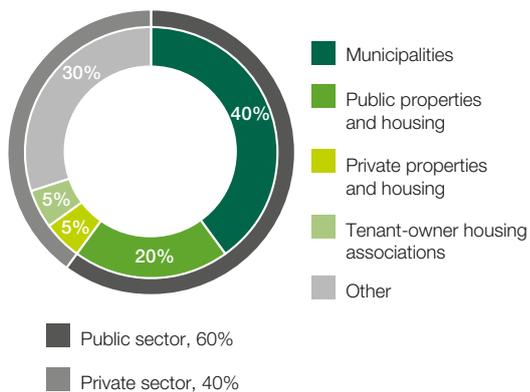


**CUSTOMERS AND CONTRACTS PORTFOLIO**

**Customers**

As of 28 february 2018, Green Landscaping had a customer base of approximately 300 customers. In 2017, approximately 60 percent of the Company's net sales derived from revenues from public sector customers, such as municipalities, central government authorities and public sector property and housing companies. The remaining 40 percent of the Company's net sales in 2017 originated from private customers such as private property and housing companies, tenant-owner housing associations and other private sector companies.

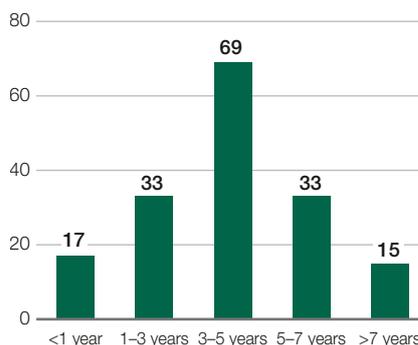
**NET SALES PER CUSTOMER GROUP (2017)<sup>1)</sup>**



**Diversified contract portfolio**

Green Landscaping has a diversified revenue base that does not depend on any one, individual contract. The Company's contracts stem from both the public and private sectors and are also spread across several business areas and geographical regions. Contracts generally extend between three to five years with a possible extension of two to four years.

**CONTRACTS DIVIDED BY LENGTH**



The chart shows the number of maintenance contracts as of 28 February 2018 divided by contract length including extension option for the contracts where the maturity is determined and the extension option has not been exercised.

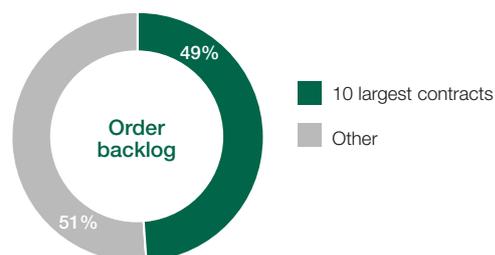


1) Estimation based on unaudited data obtained from Green Landscaping's internal reporting system for the companies in the Group as per 31 December 2017.

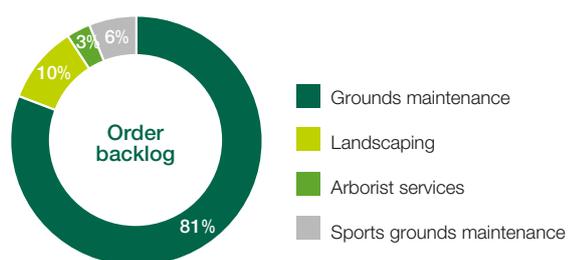
**Summary of contract portfolio and order backlog (as per 28 February 2018)**

- ▶ The Company holds more than 250 major contracts<sup>1)</sup> distributed between some 300 customers
- ▶ The average duration of contracts is approximately four years
- ▶ The order backlog totals SEK 2.0 billion<sup>2)</sup>
- ▶ The average value of contracts is 0.2 percent of the order backlog<sup>3)</sup>

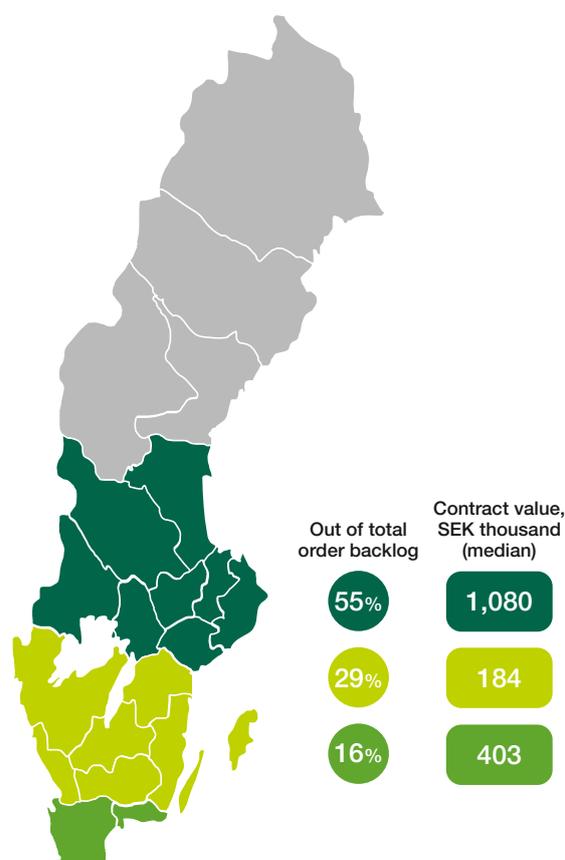
**DISTRIBUTION OF CONTRACTS, BASED ON ORDER BACKLOG (AS PER 28 FEBRUARY 2018)<sup>4)</sup>**



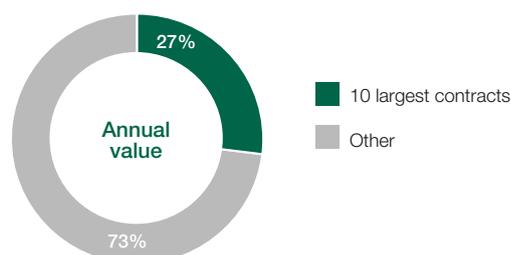
**TYPE OF SERVICE, BASED ON ORDER BACKLOG<sup>4)</sup> (AS PER 28 FEBRUARY 2018)**



**GEOGRAPHICAL OVERVIEW (AS PER 28 FEBRUARY 2018)<sup>4)</sup>**



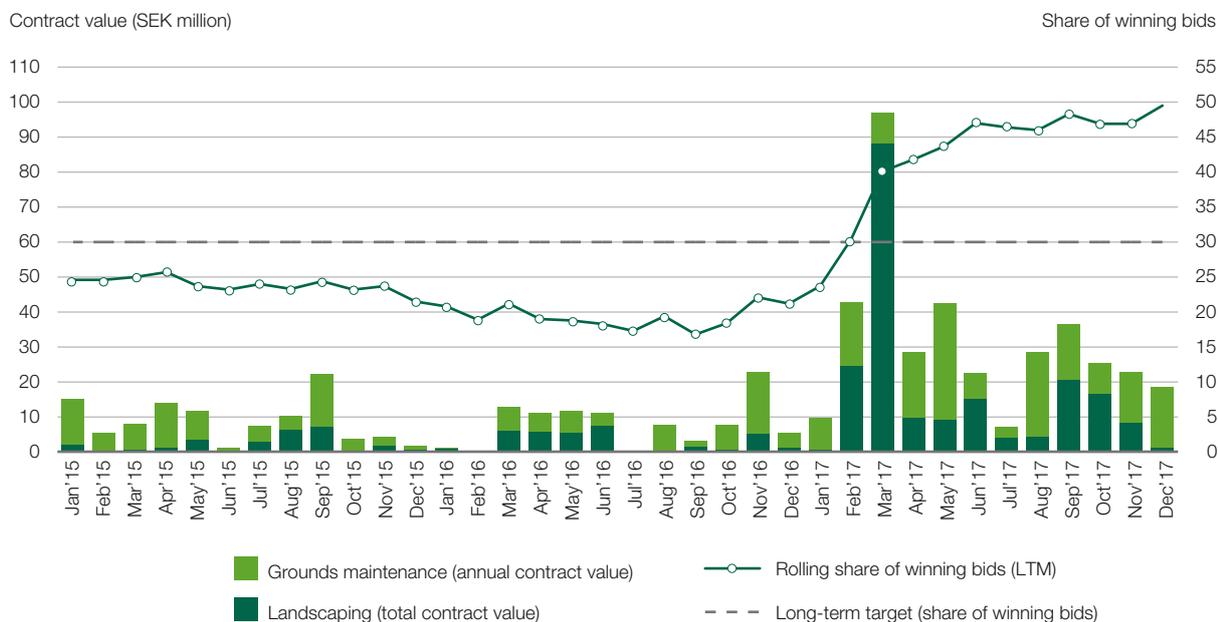
**CONTRACT DISTRIBUTION, BASED ON ANNUAL VALUE (AS PER 28 FEBRUARY 2018)<sup>5)</sup>**



1) Major contracts are those valued at more than SEK 250 thousand.  
 2) Calculated based on the Company's average contract value as per 28 February 2018, including utilisation of the extension period and the Company's estimate for additional sales.  
 3) Calculated based on the Company's average contract value as per 28 February 2018, including the Company's estimate for additional sales in percent of the Company's order backlog per 28 February 2018, including utilisation of the extension period and the Company's estimate of additional sales.  
 4) Percentage of the Company's order backlog as per 28 February 2018, including utilisation of the extension period and the Company's estimate of additional sales.  
 5) Percentage of annual contract value including the Company's estimate for additional sales.

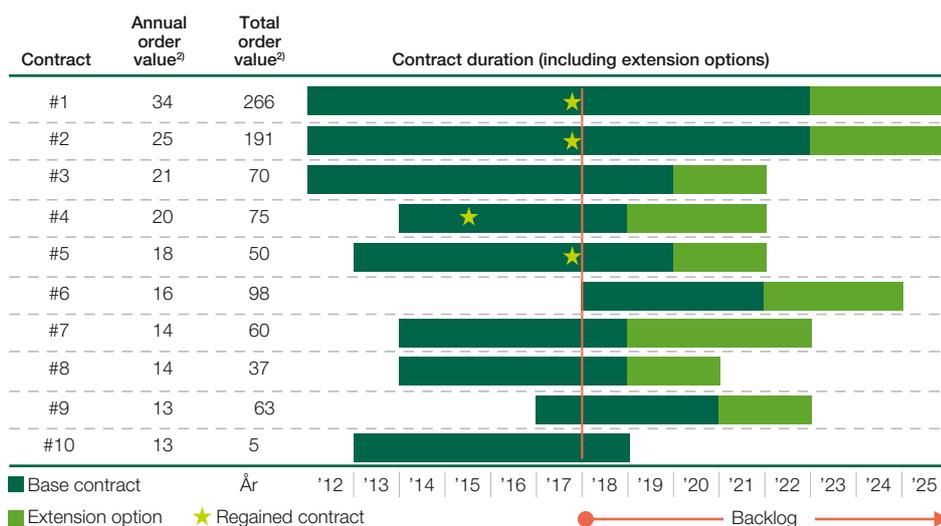
**Improved bidding process has resulted in increased share of winning bids<sup>1)</sup>**

The graph below shows Green Landscaping’s share of winning bids, which is defined as the value of the contracts won divided by the value of contracts for which bids were submitted, from financial years 2015–2017. The Company’s implementation of a new bidding process in 2017 (see section “*Structured bidding process*” for further description) has resulted in an increased share of winning bids. In the Company’s assessment, a long-term share of winnings bids of 30 percent is sustainable for continuous profitability. Of the value of all contracts that expired in 2017, 84 percent were extended or renewed.<sup>2)</sup>



**Order backlog with increased visibility in the Company’s earning capacity<sup>3)</sup>**

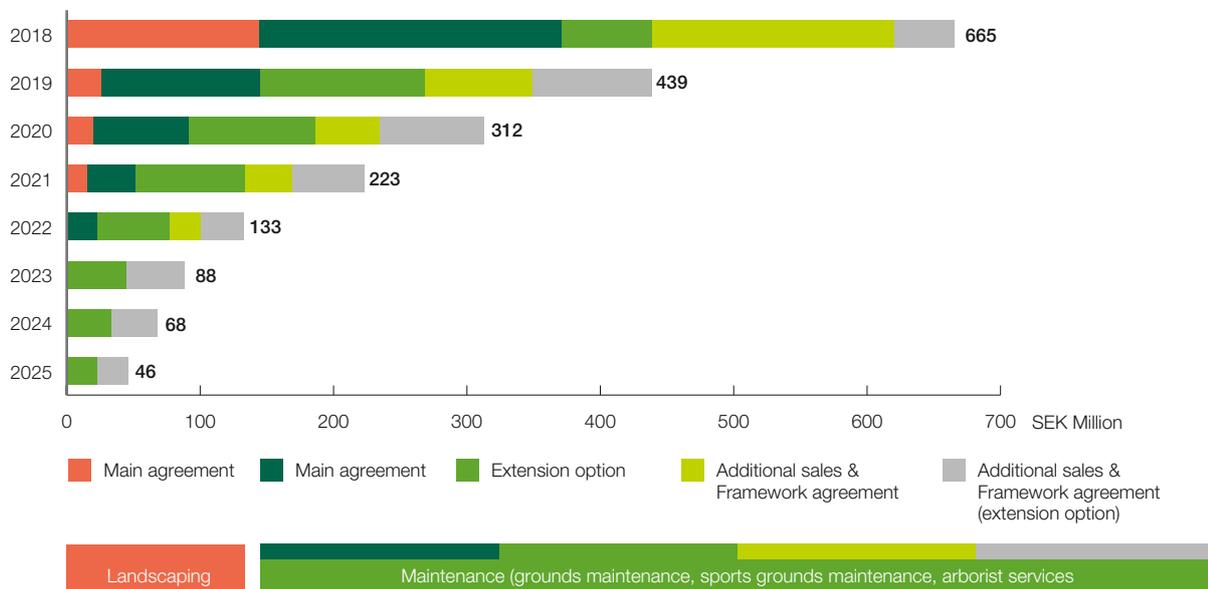
The Company’s order backlog is characterised by long-term contracts and a high percentage of recurring customers. This contributes to high predictability in Green Landscaping’s earnings capacity, as illustrated in the figure below, which shows the Company’s ten largest contracts. Of the Company’s ten largest contracts<sup>4)</sup>, four were renewed in 2015–2017. With regards to contract value, the extension option was exercised to 91 percent in the contracts that expired in 2017.



1) Information is based on unaudited information obtained from Green Landscaping’s internal reporting system.  
 2) Percent of value of contracts extended in 2017 in relation the value of contracts expiring in 2017.  
 3) Unaudited information obtained from Green Landscaping’s internal reporting of the Company’s ten largest remaining contracts, defined by contract value, as per 28 February 2018, including utilisation of extension periods and the Company’s estimate of additional sales.

The diagram below illustrates Green Landscaping's order backlog per 28 February 2018, including utilised extensions and the Company's estimate of additional sales. Grounds maintenance contracts are usually ensured before the financial year begins, while landscaping contracts are secured on an ongoing basis throughout each year of operations. This is because landscaping is often ordered as an add-on service by Green Landscaping's existing grounds maintenance customers.

**COMPOSITION OF ORDER BACKLOG PER 28 FEBRUARY 2018, SEK MILLION<sup>1)</sup>**



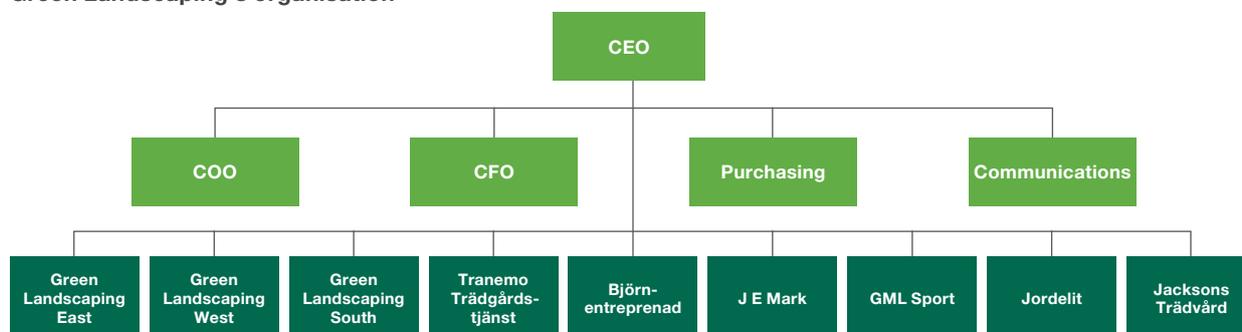
1) Unaudited information on contract values as of February 28, 2018, including utilisation of the extension and the Company's estimate of additional sales taken from Green Landscaping's internal reporting system.



## ORGANISATION

The illustration below provides an overview of Green Landscaping’s organisational structure as per the date of the Prospectus. The Company has nine regional units distributed between seven of the Group’s eight directly owned subsidiaries.<sup>1)</sup> The structure is designed to facilitate the implementation of the Company’s strategy with operations that are largely based locally. Green Landscaping’s headquarters are located in Malmö in southern Sweden.

### Green Landscaping’s organisation



### Decentralised distribution of responsibilities

Green Landscaping’s decentralised structure affords each regional unit a high level of responsibility for its own day-to-day operations, including responsibility for customers, personnel, sales and earnings, with the purpose of maintaining and strengthening local relationships. Each regional unit reports continuously to the Group’s central function. By allocating responsibility to regional units, a cost-efficient support structure is established. Each regional entity is governed by its own CEO and management team, to maintain customer service and local entrepreneurial spirit. In addition, each regional unit has one or more area managers and a number of project managers who are, in turn, responsible for their employees. Green Landscaping’s central organisation provides support for the regional units in areas including strategic planning and acquisition processes, while each individual unit is able to benefit from shared purchasing and finance functions.

### Internal governance, follow-up and measures

Green Landscaping’s strategy is implemented through the Company’s decentralised division of responsibility, with close cooperation between the central organisation and the regional units, as well as internal control systems, such as “Policy Deployment” and “LEAN”.

### Policy Deployment

“Policy Deployment” strives to bring together targets, measures, and processes in the areas of quality, delivery, cost and growth. It also builds on individual responsibility, with the Group’s employees challenging one another and creating a winning culture. Prior to implementing “Policy Deployment”, the Company has gained inspiration from Danaher Corporation, a company that has been highly successful in eliminating inefficiencies in processes to then standardise the fine-tuned process in its operations.

### Planning

Through “Policy Deployment”, the Company’s strategy is broken down into long-term objectives over a three-year period, after which it is further broken down into more short-term targets spread over a year. Both the Group’s long-term and short-term objectives are defined according to their order of priority and where the Company has identified opportunities for improvement.

### Implementation

Green Landscaping’s overall objective is implemented by means of regional strategies and action plans established by the Company’s regional managers. The Company’s decentralised organisational structure gives the regional managers the responsibility and authority to decide how to implement their action plans according to the organisational and market conditions in their respective regions.

### Documentation and follow-up

Development is followed up continuously through various governance documents linked to Green Landscaping’s annual targets, designed to aid the Company in achieving its long-term objectives. In addition, the Company continuously follows up on, for example, financial key ratios, weekly assessments and the Group’s monthly reporting, in which the regional units’ financial development and capacity to achieve the Group’s overarching objectives are assessed. Aided by the Company’s internal control systems, any problems can be quickly identified and then broken down, allowing more efficient measures to be taken.

### LEAN

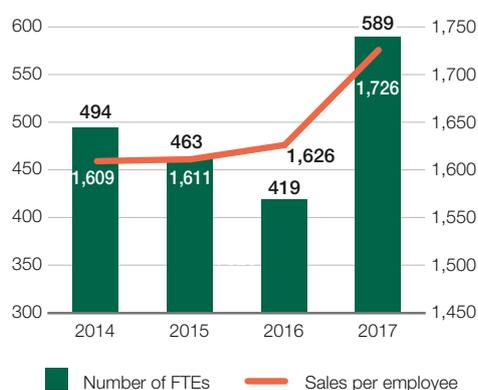
To achieve its targets and improve and streamline its operations, the Company employs the internal control system “LEAN”, which builds on four cornerstones: planning, day-to-day control, continuous improvement and ongoing follow-up.

1) Illustrated Group structure excludes the Company’s subsidiary Goldcup 16362 AB (name being changed to Green Landscaping Incentive AB), recently acquired as a stock company for managing the Company’s incentive program. For more information about Goldcup 16362 AB and an overview of the legal group structure, see “Group Structure” in the section “Legal considerations and supplementary information”.

Each regional unit plans its operations to achieve its targets through established action plans. All measures and implementation of process are then documented using control documents to help increase work efficiency, improve processes and reduce costs. The control documents are subsequently followed up in each of the regional units and through the Group's monthly reporting. According to the Company, the implementation of "Policy Deployment" and "LEAN" has been instrumental in building the winning culture that now prevails in Green Landscaping.

Efficiency enhancements aided by "LEAN" have entailed consolidation of the supplier base and the introduction of a coordinated purchasing process, improved employee productivity, and the discontinuation of unprofitable contracts with low margins. Employee productivity has also increased, as illustrated below. During the period 2015–2017, the Company reduced the number of full-time employees, while sales per employee increased.

#### SALES PER EMPLOYEE (PRO FORMA 2017)<sup>1)</sup>



#### ISO certifications

Green Landscaping is certified according to ISO 9001 (quality) and ISO 14001 (environment). Quality assurance is a requirement in connection with public procurement and, like environmental assurance, forms a natural part of Green Landscaping's operations. The Company works with continuous improvement in all areas, particularly in environmental work, by identifying new solutions that can improve the environment in both the short and long term.

#### Employee

As per the date of the Prospectus, there were 589 employees in the Group, of whom five were in central management, nine in regional management, 18 in area management, 61 were project managers and 496 were responsible for Green Landscaping's day-to-day operations.

Of the Group's seven operating subsidiaries, Green Landscaping AB had 349 employees, distributed on 15 people working with central functions, 98 in Region East, 125 people in Region West and 111 people in Region South. In addition, 53 were employed in Jacksons Trädvärd, 33

employed in GML Sport, 32 employed in Björnentreprenad, 63 employed in Tranemo Trädgårdstjänst, 40 employed in J E Mark and 19 employed in Jordelit.

With the exception of those employed centrally, recruitment is decentralised and handled within each regional unit. Area managers are responsible for operations across large areas, while project managers are responsible for project personnel and day-to-day management. Green Landscaping also employs seasonal labourers during the period April to November, which is the peak season, and in 2017, 131 seasonal labourers were employed.

#### Green Academy

To remain successful, Green Landscaping is dependent on attracting and retaining motivated employees with appropriate skills, so that the Company can maintain the quality required to maximise customer benefit. In 2016, the Company started the "Green Academy" as a step towards increased skills development among employees, with training being conducted by an appropriate third-party supplier. The company conducts ongoing discussions with its employees to identify the areas of skill they wish to develop. In addition, Green Landscaping is working to ensure that the Company's employees have the skills required by the Company's own processes, while meeting legal requirements, which is crucial in major public procurement processes, where documented and accurate knowledge among employees is required. All training at Green Academy is evaluated and documented in CV and skills databases. Potential certifications are stored digitally and then communicated to potential customers in conjunction with the Company's bidding processes.

As part of Green Academy, the Company actively pursues training for recent immigrants and people who have been unemployed for a long time, to contribute to social responsibility and reduce exclusion. Education takes place in cooperation with municipalities, who are also the Company's customers. Municipalities present candidates to the Company, which then conduct interviews. These individuals then undergo practical and theoretical education at Green Landscaping for a period of 6–24 months. On completion of training, specific certification may be awarded and the individual may be employed by Green Landscaping. In Green Landscaping's assessment, a large part of the Company's future recruitment will involve training of this type.

#### Sustainability

Green Landscaping's sustainability work forms an integral and natural part of the Company's operations, and permeates the entire organisation. The principal objective of the sustainability work is to support Green Landscaping's operational targets, helping enterprise, social responsibility and sustainable business create a green city for all and build a sustainable society. Sustainability work is also characterised by responsibility, openness, ethical behaviour and respect for the Company's stakeholders. The Company strives to achieve sustainable development through continuous

1) Sales includes pro forma full-year consolidation of acquisitions in 2017. For more information, refer to "Definitions of key ratios not defined by BFNAR" in the section "Consolidated income statement in summary", "Pro forma key ratios" and "Alternative pro forma key ratios not calculated by BFNAR" in the "Pro forma statements" section.

improvement, long-term customer relations, competent employees. Sustainability work is governed by the Company's sustainability policy, which describes the Company's principles in the areas of finance, environment, quality, workplace environment and social commitments. The sustainability policy further provides guidance on how Green Landscaping is to generate value, contribute to a sustainable society, mitigate risks in the operations and deal with unforeseen events.

**Customer and employee satisfaction**

The Company conducts annual surveys for employees and customers to monitor trends and, if necessary, implemented targeted measures. Key ratios for comparison on, for example, good-health attendance, staff turnover, accidents and employee satisfaction are analysed to improve how employees enjoy their work. To measure overall satisfaction among employees and customers, the Company uses the "Net Promoter Score" method<sup>1)</sup>. When this method was introduced in 2015, it gave negative key ratios on both customer and employee satisfaction (see section "Key ratios" below for further information). In order to improve satisfaction among customers and employees, the Company has made several measures, including introducing more structured communication between management and field workers, and increasing customer benefit through "LEAN". To ensure that the Company achieves sustainable and long-term satisfaction

among customers and employees, the Company continuously checks that work is conducted according to implemented plans and strategies.

**Corporate social responsibility**

Green Landscaping is working on several social projects together with municipalities and property companies. The Company strives to contribute to a sustainable society while customer benefit is generated through social commitment. Social projects involve, for example, the Company's partnership with one of its private sector customers, through which Green Landscaping organises soccer tournaments for recent immigrants to support them and help them integrate into society. In Linköping, Green Landscaping is working for a sustainable society through the Stångåstaden project, in which the Company will employ seven people who have been unemployed for a long time, and several other people during their school/university vacations. There is also a partnership with the Municipality of Norrtälje, through which Green Landscaping will train eight to ten people over six months, enabling them to approach the labour market and integrate into society. Important groups are young people, people with a foreign background and people with disabilities. Further examples of social projects are the integration programme being conducted by Green Landscaping together with Bostads AB Poseidon, a municipal housing company in Gothenburg, and described below.

*Case study Poseidon education programme*

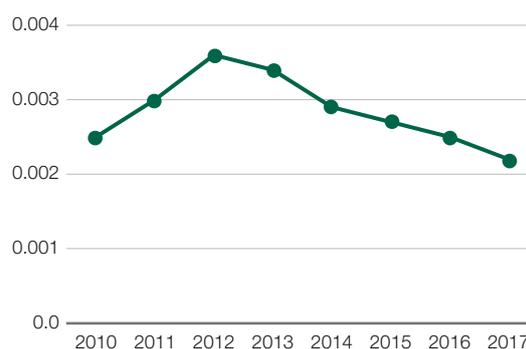
Start-up	Education	Employment
<ul style="list-style-type: none"> <li>▶ In 2017, Green Landscaping initiated a training programme for newly arrived immigrants together with Poseidon.</li> <li>▶ The Company met aspirants and conducted interviews. Ten people were then employed by Poseidon.</li> </ul>	<ul style="list-style-type: none"> <li>▶ These ten people then perform practical training at Green Landscaping for two years.</li> <li>▶ Training is conducted three days a week at the company, followed by two days of Swedish studies.</li> </ul>	<ul style="list-style-type: none"> <li>▶ The training programme has resulted in a number of people starting work at Green Landscaping on the weekends on an hourly basis in parallel with attending the programme.</li> <li>▶ Through the training programme, Green Landscaping can contribute to social responsibility and reduce exclusion, while safeguarding the Company's future recruitment needs.</li> </ul>

1) Net Promoter Score is based on the question: "How likely are you to recommend this company? A response is given on a scale of 0–10. Those who indicate a score of 0–6 are considered critics, while those who indicate a score of 7–8 are considered passive and those who give a score of 9 or 10 are referred to as ambassadors. The Net Promoter Score is calculated as ambassadors (%) minus critics (%).

### Environment

To contribute to a sustainable society, Green Landscaping works actively with the Company's climate impact from a long-term and broad perspective. By planting trees, shrubs and sedum, the Company is working to compensate for emissions that occur. In 2017, Green Landscaping planted 1,438 trees. Fuel consumption, which accounts for 97 percent of Greenland's total emissions, has been the focus of the structured work to reduce climate impact in recent years. The Company has implemented a route planning initiative, resulting in shorter driving distances, lower fuel consumption, cost savings and lower climate impact. This work has resulted in a reduction in Green Landscape's climate impact since 2012. The graph to the right shows the Company's greenhouse gas emissions in tonnes per sales during the period 2010–2017. Green Landscaping will continue to focus on reducing fuel consumption and rejuvenating its vehicle fleets. The long-term objective is to be a climate-neutral company, which is also a requirement from the Company's key customers.

### TONNES CO<sub>2</sub> PER SALES



### Key ratios

Below, Green Landscape's sustainability work is presented in figures through a selection of the Group's annual social and environmental key ratios for 2015–2017.

	2017	2016	2015
Average number of employees within the Group	589	419	463
Percentage women	17%	18%	17%
Employee Satisfaction (Net Promoter Score)	-34%	-16%	-38%
Customer satisfaction (Net Promoter Score)	24%	3%	-13%
Greenhouse gas emissions (tonnes of CO <sub>2</sub> per sales)	0.0022	0.0025	0.0027
Planting of trees	1.438	575	735

### Code of Conduct

Green Landscaping's Code of Conduct comprises a number of principles describing the Company's common values. These principles apply at an overall level and are complemented by Green Landscaping's Group-wide policies, guidelines and practices in specific areas such as finance, HR and purchasing. The purpose of the Code of Conduct is to convey Green Landscaping's value base and business principles to all of the Company's employees, customers, suppliers, other business partners and owners, as well as providing guidance in the Company's daily work. The Company's Code of Conduct addresses issues related to conflicts of interest, gifts and representation, the environment and the workplace environment, as well as relations with suppliers and subcontractors. The contents of the Code of Conduct are presented and included as a discussion point in the introduction of each new employee. It is of the utmost importance for Green Landscaping that all employees be familiar with and comply with the Code of Conduct.

### Digitisation

The company is working actively to streamline the central IT function and increase the digitisation of its operations, including improving accounting systems and implementing e-invoices, enabling better follow-up and ensuring greater user-friendliness. The Company has identified great potential in providing Group employees with mobile devices, such as tablets and smart phones, to streamline the work of receiving and placing orders, performing self-monitoring, and follow-up. In addition, Green Landscaping believes it can increase resource utilisation, ensure consistent quality, facilitate documentation and reporting to customers, as well as increase the Company's additional sales. The Company also believes that increased digitisation can lead to improved competition because smaller players in the market do not have the same opportunities to implement similar solutions. Green Landscaping aims to become a market leader in its sector in terms of digitisation in bidding processes.

**ACQUISITIONS**

The Swedish market for outdoor care is fragmented with a total of about 6,300 players, of which some 5,000 are run as individual companies and some 1,300 have sales of less than SEK 100 million per year, which creates good opportunities for consolidating the market. Medium-sized players are often strong in each of their local home markets, thus making attractive acquisition candidates for the company. The Company perceives growth through acquisitions as less risky than organic growth, since the Company selectively identifies companies with profitable contract portfolios. In addition, there is already personnel, local knowledge and business processes in place, bringing additional benefits compared with organic growth.

**Identifying acquisitions**

Acquisitions form a central part of Green Landscaping's growth strategy and are divided into smaller and larger acquisitions:

- ▶ Smaller acquisitions
  - Net sales of SEK 30–200 million;
  - Easily achievable synergies contributing to economies of scale for the Company;
  - Focus on profitable contract portfolios;
  - Good existing local knowledge.

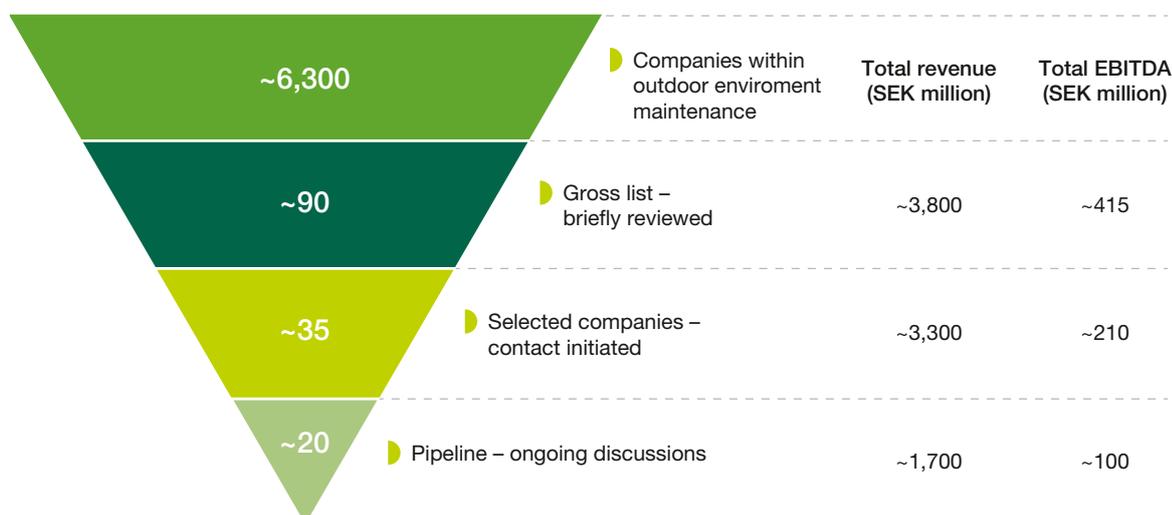
- ▶ Larger acquisitions
  - Net sales greater than SEK 200 million;
  - Strategic positioning and market entry;
  - Connect Green Landscaping's existing domestic and future international regions;
  - Focus on profitable contract portfolios.

When identifying both smaller and larger acquisitions, Green Landscaping looks for companies that meet the following criteria:

- ▶ Well-functioning, stable and profitable companies;
- ▶ Competent company management;
- ▶ Strong local brands;
- ▶ Activities in regions where Green Landscaping is active or in adjacent regions connecting the Company's three regions.

As of 31 December 2017, Green Landscaping had initiated contact with approximately 20 potential acquisition candidates in Sweden. In addition to Sweden, the Company is also exploring opportunities for expansion in Denmark, Finland and Norway – markets that, like Sweden, are fragmented with several smaller players. As of 31 December 2017, the Company had an initial list of 70 acquisition candidates in Denmark, Finland and Norway, with the next step in the process being to select acquisition candidates and initiate contacts.

**STRUCTURED IDENTIFICATION PROCESS ENABLES ATTRACTIVE ACQUISITIONS**



Selected targets	Type <sup>1)</sup>	Total revenues	EBITDA
#1	GM	~50	<10m
#2	GM, L	~50–100m	~10m
#3	GM, L	~50–100m	~10m
#4	GM, L	<50m	<10m

1) GM = Grounds maintenance, L = Landscaping

### An attractive buyer

In discussions with potential acquisition candidates, Green Landscaping believes that the Company is perceived as an attractive buyer. According to the Company, this is probably due largely to Green Landscaping's strong market position and its history of consolidating the market.

The president of each company retains substantial influence even after their companies have been acquired by Green Landscaping, in selecting employees, projects and customers, which means that the acquired businesses can continue to focus on their core operations, maintaining their local identity and entrepreneurial culture. At the same time, they can benefit from central functions, such as financial organisation and joint purchasing agreements, as well as enjoying access to "Policy Deployment" and "LEAN" as tools for developing the acquired unit. The acquired operations and their contractors are given opportunities to reinvest in the Company and to participate in the continued development of the value of Green Landscaping, generating strong incentives to continue delivering robust earnings and to continue working in the Company.

Green Landscaping seeks to establish itself as the preferred acquirer to attract business owners from the contacts initiated by the Company. A proven and well-functioning acquisition model, attractive offer to business owners, combined with Green Landscaping being regarded as an attractive employer for smaller companies, has historically enabled the Company to acquire businesses at attractive values, usually within the range of 2.5–5x EBITDA (without taking synergies and earn outs into account). In connection with acquisitions, Green Landscaping usually achieves an improved EBITDA-margin of approximately 3–5 percentage points for the acquired unit, resulting from the structured cost synergies and streamlining immediately created.

In 2017, the Company acquired, among other things, Björnentreprenad and Tranemo Trädgårdstjänst. In 2016, total operating revenues for Björnentreprenad amounted to SEK 90 million and the company reported an EBITDA of SEK 12.4 million, which corresponds to an EBITDA-margin of 13.8 percent.<sup>1)</sup> Green Landscaping estimates that potential synergies from the acquisition of Björnentreprenad can amount to a total of SEK 6,1 million per year and that immediate savings related to the acquisition amounted to SEK 1.8 million in 2017.

Furthermore, the Company estimates that potential synergies from the acquisition of Tranemo Trädgårdstjänst can amount to a total of SEK 5 million per year and that immediate savings related to the acquisition amounted to SEK 2.4 million in 2017. In 2016, Tranemo Trädgårdstjänst generated total operating income of SEK 88 million and the company had an EBITDA of SEK 11.2 million, which corresponds to an EBITDA-margin of 12.7 percent.<sup>1)</sup>

### Acquisition process

Potential smaller acquisitions are identified by regional managers through their networks in their individual local home markets, while larger acquisition candidates are identified centrally. Regional managers have extensive knowledge of the market and insights into the Company's competitors and partners, which is often the starting point for a potential acquisition. From the time that the Company presents its bid to the acquisition candidate, the process usually takes two to three months until the share transfer agreements are signed and the transaction is completed. According to the Company, the structured acquisition process results in the accurate identification of acquisition candidates, as well as efficient and smooth integration.

### Green Landscaping's acquisition process



### Integration

To a large extent, the acquired companies should continue to operate independently, with control regarding customers and staff, to maintain an entrepreneurial culture. When companies are acquired, they are immediately added to the Group's centralised purchasing process and gain access to the Group's purchasing agreements. They are also allowed to make use of the Group's vehicles and equipment, and are afforded opportunities to benefit from, or contribute to, cross-selling of the Group's services. Through this integration, synergies can be generated directly upon acquisition.

Within six months of acquisition, shared processes, such as reporting and follow-up, commence through "Policy Deployment" and "LEAN". The acquired companies are integrated in such a way that they learn from the Group's best practices, improving their processes and making them more efficient. Depending on what is considered most appropriate, the acquired operations may either retain their trademarks or transition to the Green Landscaping brand once that has been established in the local market.

<sup>1)</sup> The information is obtained from Björnentreprenad and Tranemo Trädgårdstjänst's audited annual reports for 2016. For more information, refer to "Definitions of key ratios not defined by BFNAR" in the section "Selected historical financial information" and "Financial data for subsidiaries" – "EBITDA for Green Landscaping's subsidiaries for the years 2010–2017 SEK thousand" and "EBITDA-margin based on the standardised calculation of total operating income and EBITDA for Green Landscaping's subsidiaries for the years 2010–2017".

**Significant previous acquisitions**

**2013**

*Jacksons Trädvård*

Specialist company in arboriculture, forestry and ecological conservation, with more than 50 climbing arborists and field staff. The company operates in Stockholm and Gothenburg. Jacksons Trädvård was acquired in full by Green Landscaping in 2013. Since then, Jacksons Trädvård has retained its trademark and operates as a subsidiary of the Company.

**2014**

*GML Sport*

Specialist company operating in sports grounds maintenance, including gardening, landscaping and maintenance of green areas, particularly in the southernmost Swedish province of Skåne. GML Sport was acquired in full by Green Landscaping in 2014. Since then, GML Sport has retained its trademark and operated as a subsidiary of the Company.

**2017**

*Tranemo Trädgårdstjänst*

Specialist company operating in landscaping and grounds maintenance in Borås, Tranemo and Ulricehamn. Tranemo Trädgårdstjänst was acquired by Green Landscaping in 2017. Since then, Tranemo Trädgårdstjänst has retained its trademark and operates as a subsidiary of the Company. As of 31 December 2017, there were commitments to, under certain conditions, pay earnouts of up to SEK 4 million related to the acquisition of Tranemo Trädgårdstjänst, which may be paid in 2018. For more information on earnouts, refer to section “*Legal considerations and supplementary information*” under “*Significant agreements*” – “*Acquisitions*”

*Björntreprenad*

Full-service company with operations in maintenance, groundwork, snow removal, construction and other services in northern Stockholm. Björntreprenad was acquired in full by Green Landscaping in 2017. Since then, Björntreprenad has retained its trademark and operated as a subsidiary of the Company. As of 31 December 2017, there were commitments to, under certain conditions, pay earnouts of

up to SEK 11.5 million related to the acquisition of Björntreprenad, which may be paid in 2018. For more information on agreed earnouts, refer to section “*Legal considerations and supplementary information*” under “*Significant agreements*” – “*Acquisitions*”

*J E Mark*

Company with operations in the design, construction and maintenance of land in Stockholm County. J E Mark was acquired by Green Landscaping in 2017. Since then, J E Mark has retained its trademark and operated as a subsidiary of the Company. As of 31 December 2017, there were commitments to, under certain conditions, pay earnouts of up to SEK 8.5 million related to the acquisition of J E Mark, which may be paid in 2019. For more information on agreed earnouts, refer to section “*Legal considerations and supplementary information*” under “*Significant agreements*” – “*Acquisitions*”

*Jordelit*

Specialist company with operations in consultation and supply of maintenance products, primarily in golf and football. Jordelit is based in Gothenburg and was acquired by Green Landscaping in 2017. As part of the agreement with the sellers of Jordelit, the part of the business that did not fall within Green Landscaping’s strategy was not acquired. The non acquired business within Jordelit refers to the secondary name Wheels4u, which engages in the sale of quadricycles, work vehicles for parks and sports facilities, motorcycles and mopeds. For more information on the non acquired business in Jordelit, refer to “*Pro forma income statement 1 January 2017 to 31 December 2017 in summary*” in the “*Pro forma financial statement*” section. As of 31 December 2017 there were commitments to pay earnouts of a maximum of SEK 16 million, related to the acquisition of Jordelit, which may be paid in 2019. For more information on agreed earnouts, please refer to the section “*Legal considerations and supplementary information*” under “*Material agreements*” – “*Acquisitions*”. Since Jordelit was acquired, Jordelit has retained its trademark and operates as a subsidiary of the Company.

**Overview of previous significant acquisitions (SEK thousand)<sup>1)</sup>**

Transfer date	Acquisitions	Segments	Total operating income 2017	EBITDA 2017	Average number of employees
4 September 2013	Jacksons Trädvård	Arborist services	51,532	4,907	53
1 January 2014	GML Sport <sup>2)</sup>	Sports grounds maintenance	61,413	2,024	33
1 July 2017	Tranemo Trädgårdstjänst	Grounds maintenance and landscaping	107,721	14,689	63
7 July 2017	Björntreprenad	Grounds maintenance and landscaping	68,111	14,852	32
17 November 2017	J E Mark	Grounds maintenance and landscaping	71,794	7,262	40
24 November 2017	Jordelit	Sports grounds maintenance	87,660	8,372	19

1) The information is obtained from unaudited annual reports of the each subsidiary. For description of key ratios not defined by BFNAR and justification for their use, see section “*Selected historical financial information*” – “*Definitions of key ratios not defined by BFNAR*”. For more information about the respective subsidiaries’ financial development, see the section “*Financial data for subsidiaries*”. The acquisition of Miljöbyggarna Stockholm AB is excluded since the company has been consolidated in the group and is not a subsidiary. Furthermore, the subsidiary Goldcup 16362 AB (name being changed to “Green Landscaping Incentive AB”) is excluded as it is a recently acquired stock company for managing the Company’s incentive program. For more information about Goldcup 16362 AB, see “*Group structure*” in the section “*Legal considerations and supplementary information*”.

2) Does not include GML Sport AB’s subsidiary GML Sport Anläggning AB, which was formed in December 2016 and reported total operating income for 2017 of SEK 1,703 thousand and an EBITDA for 2017 of SEK 1,599 thousand. The information is derived from GML Sport Anläggning AB’s audited annual report for 2017.



# SELECTED HISTORICAL FINANCIAL INFORMATION

The financial information in this section is to be read together with the sections entitled "Comments to the financial development", "Pro forma financial statement", "Capital structure, indebtedness and other financial information", and the, by the Group's auditor audited, consolidated financial statements with related notes for the financial years ending 31 December 2015, 2016 and 2017. The information in this section, unless otherwise explicitly stated, has been derived from the Group's audited annual reports for the financial years ending 31 December, 2015, 2016 and 2017, which have been incorporated by reference and thus form part of the Prospectus and have been prepared in accordance with the Swedish Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board BFNAR 2012: 1 Annual Report and Consolidated Financial Statements (K3) ("BFNAR"). In addition to what is stated in the audit reports for the financial years ending 31 December 2015, 2016 and 2017, incorporated by way of reference, and the auditor's review of the pro forma financial statement as set forth in the section entitled "Auditor's report on pro forma financial statement", no information in the Prospectus have been audited or reviewed by auditors. Financial key ratios not defined in accordance with applicable accounting rules have not been reviewed or audited by the auditor. Amounts in this section have been rounded off and aggregated and this do not always sum up correctly.

## CONSOLIDATED INCOME STATEMENT IN SUMMARY

SEK THOUSAND	2017 Audited	2016 Audited	2015 Audited
<b>Operating income</b>			
Net sales	790,919	672,724	750,523
<i>Ground maintenance and landscaping</i>	675,892	570,202 <sup>1)</sup>	–
<i>Sports grounds maintenance</i>	64,327	50,283 <sup>1)</sup>	–
<i>Arborist services</i>	50,699	52,239 <sup>1)</sup>	–
Change in stock of goods under manufacturing, finished goods and work in progress	11,515	7,597	–6,466
Other operating income	2,717	936	1,970
<b>Total operating income</b>	<b>805,150</b>	<b>681,257</b>	<b>746,027</b>
<b>Operating expenses</b>			
Merchandise and subcontractor expenses	–379,725	–348,396	–387,706
Other external expenses	–87,283	–53,675	–64,998
Personnel expenses	–276,421	–252,456	–275,662
Depreciation and Amortisation of goodwill	–46,587	–35,577	–35,828
Other operating expenses	–111	–1	–3,294
<b>Total operating expenses</b>	<b>–790,127</b>	<b>–690,105</b>	<b>–767,488</b>
<b>Operating profit</b>	<b>15,023</b>	<b>–8,848</b>	<b>–21,461</b>
<b>Financial items</b>			
Financial income	2,512	561	632
Financial expenses	–18,771	–12,725	–11,812
<b>Net financials</b>	<b>–16,259</b>	<b>–12,164</b>	<b>–11,180</b>
<b>Profit before tax</b>	<b>–1,235</b>	<b>–21,012</b>	<b>–32,641</b>
Income tax	–4,224	–53	–44
Other taxes	–776	–1,219	–1,773
<b>Net profit</b>	<b>–6,235</b>	<b>–22,284</b>	<b>–34,457</b>

1) The information is obtained from the Group's revised annual report for the financial year ending 31 December 2017.

## CONSOLIDATED BALANCE SHEET IN SUMMARY

SEK THOUSAND	2017 Audited	2016 Audited	2015 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Intangible assets</i>			
Softwares and customer related intangible assets	2,525	954	98
Goodwill	138,352	60,450	78,271
<b>Total intangible assets</b>	<b>140,877</b>	<b>61,404</b>	<b>78,369</b>
<b>Tangible asset</b>			
Development expenses on another's property	302	456	629
Machinery and other technical facilities	64,152	41,210	48,175
Inventory, tools and installations	17,363	1,401	1,470
<b>Total tangible assets</b>	<b>81,817</b>	<b>43,067</b>	<b>50,275</b>
<b>Financial assets</b>			
Deferred tax assets	16,626	17,346	18,515
Other long-term receivables	111	27	6
<b>Total financial assets</b>	<b>16,738</b>	<b>17,373</b>	<b>18,521</b>
<b>Non-current assets</b>	<b>239,431</b>	<b>121,844</b>	<b>147,164</b>
<b>Current assets</b>			
Inventory	31,206	9,633	9,891
Accounts receivable	184,515	117,098	110,437
Current tax assets	1,493	479	1,430
Other receivables	2,517	510	212
Recognised revenue less progress billings	35,980	23,466	5,841
Prepaid expenses and accrued income	24,513	15,893	34,120
Cash and bank	33,735	6,115	3,890
<b>Total current assets</b>	<b>313,960</b>	<b>173,194</b>	<b>165,821</b>
<b>TOTAL ASSETS</b>	<b>553,390</b>	<b>295,037</b>	<b>312,985</b>

**CONSOLIDATED BALANCE SHEET IN SUMMARY, CONT.**

<b>SEK THOUSAND</b>	<b>2017 Audited</b>	<b>2016 Audited</b>	<b>2015 Audited</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	2,255	1,911	1,911
Other capital contributions	219,380	190,969	190,045
Other equity including the of the year	-216,291	-210,056	-187,811
<b>Equity related to the parent compay's shareholders</b>	<b>5,344</b>	<b>-17,176</b>	<b>4,144</b>
<b>Provisions</b>			
Deferred tax liability	5,845	53	0
Other provisions	2,642	3,410	2,358
<b>Total provisions</b>	<b>8,487</b>	<b>3,463</b>	<b>2,358</b>
<b>Non-current liabilities</b>			
Convertible loans	47,149	39,055	32,229
Liabilities to credit institutions	51,076	3,807	7,047
Liabilities from financial leases	45,884	37,984	42,720
<b>Total non-current liabilities</b>	<b>144,109</b>	<b>80,846</b>	<b>81,996</b>
<b>Current liabilities</b>			
Bank overdraft	43,482	30,261	20,821
Liabilities to financial insitutions	38,489	0	0
Account payables	131,805	100,932	77,054
Current tax liabilities	3,372	168	0
Other liabilities	21,824	20,953	31,692
Progress billings in excess of recognised revenue	16,492	9,522	8,801
Accrued expenses and prepaid income	139,987	66,068	86,119
<b>Total current liabilities</b>	<b>395,451</b>	<b>227,904</b>	<b>224,487</b>
<b>Total liabilities</b>	<b>548,047</b>	<b>312,213</b>	<b>308,841</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>553,390</b>	<b>295,037</b>	<b>312,985</b>

## CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

SEK THOUSAND	2017 Audited	2016 Audited	2015 Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Operating income	15,023	-8,848	-21,461
Adjustments for non-cash items	41,875	36,084	34,841
Received interest	2,512	561	632
Paid interest	-9,016	-6,082	-11,812
Paid tax	-1,382	-175	359
<b>Cash flow from operating activities before changes in working capital</b>	<b>49,013</b>	<b>21,540</b>	<b>2,559</b>
<b>Changes in working capital</b>			
Decrease (+) / Increase (-) in account receivable from clients	0	-16,904	7,210
Decrease (+) / Increase (-) in current receivables	-43,308	11,268	-3,542
Decrease (+) / Increase (-) in current payables	23,283	-13,555	10,883
Decrease (+) / Increase (-) in inventory	-8,177	258	-3,709
<b>Cash flow from changes in working capital</b>	<b>-28,202</b>	<b>-18,933</b>	<b>10,842</b>
<b>Cash flow from operating activities</b>	<b>20,811</b>	<b>2,607</b>	<b>13,401</b>
<b>INVESTMENT ACTIVITIES</b>			
Acquisition of subsidiaries	-75,768	0	-300
Acquisition of tangible assets	-25,159	-12,350	-15,223
Acquisition of intangible assets	-1,778	0	0
Sale of tangible assets	3,135	2,656	1,840
<b>Cash flow from investing activities</b>	<b>-99,570</b>	<b>-9,694</b>	<b>-13,683</b>
<b>FINANCING ACTIVITIES</b>			
New share issue	0	0	5,292
New loan proceeds	101,574	7,751	22,648
Repayment of loans	-8,416	-7,900	-23,701
Disposals	0	21	18
Changes in bank overdraft	13,221	9,440	-4,176
<b>Cash flow from financing</b>	<b>106,379</b>	<b>9,312</b>	<b>82</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>27,620</b>	<b>2,225</b>	<b>-201</b>
Cash and bank balances at the beginning of the period	6,115	3,889	4,090
<b>Cash and bank balances at the end of the period</b>	<b>33,735</b>	<b>6,115</b>	<b>3,890</b>

**SELECTED KEY RATIOS**

The tables below contain certain financial and operational key ratios that have not been defined by BFNAR. This section also presents alternative key ratios for the financial year 2014. The Company estimates that additional key ratios for the financial year 2014 are of importance to investors because they facilitate the evaluation of financial developments over a longer period. The Company uses these key ratios as a supplement to the key ratios as defined by BFNAR. The Group management uses these alternative key ratios to monitor the underlying development of the Company's business and believe that they assist investors in understand-

ing the Company's development from period to period. Since all companies do not calculate these key ratios in the same way, the manner in which the Company has chosen to calculate the alternative key ratios presented in the Prospectus means that such key ratios may not be comparable with similar measures presented by other companies. Note that, unless otherwise stated, these key ratios have not been audited or reviewed by the Company's auditor. For definitions and explanations for the use of alternative key ratios presented below, see section "Definitions of alternative key figures not defined by BFNAR".

SEK THOUSAND	2017	2016	2015	2014
<b>SALES MEASURE</b>				
Net sales	790,919	672,724	750,523	774,915
Net sales growth, %	17.6	-10.4	-3.1	-
Organic net sales growth, %	1.6	-10.4	-3.1	-
Acquired growth in net sales, %	16.0	-	-	-
Adjusted net sales	791,773	674,934	714,425	702,583
Order backlog	1,856	962	1,437	1,861
Change in order backlog, %	92.9	-33.1	23.2	-
<b>INCOME MEASURE</b>				
EBITDA	61,610	26,729	14,367	25,830
EBITA	35,554	8,973	-3,641	3,805
Operating income (EBIT)	15,023	-8,848	-21,461	-13,985
Adjusted EBITDA	70,669	48,813	37,172	30,607
Adjusted EBITA	44,613	31,057	19,164	8,584
Adjusted EBIT	24,082	13,236	1,344	-9,206
<b>MARGIN MESAURE</b>				
EBITDA-marginal, %	7.7	3.9	1.9	3.3
EBITA-marginal, %	4.4	1.3	-0.5	0.5
EBIT-marginal, %	1.9	-1.3	-2.9	-1.8
Adjusted EBITDA-margin, %	8.8	7.1	5.2	4.2
Adjusted EBITA-margin, %	5.5	4.5	2.7	1.2
Adjusted EBIT-margin, %	3.0	1.9	0.2	-1.3
<b>CASH FLOW AND RETURN MEASURE</b>				
Operating cash flow	18,665	20,187	34,630	10,557
Operating cash conversion, %	26.4	41.4	93.2	34.5
<b>CAPITAL STRUCTURE</b>				
Working capital	-39,865	-34,338	-45,523	-27,433
Working capital in relation to net sales, %	-5.0	-5.1	-6.1	-3.5
Average working capital	142,752	95,444	122,085	139,451
Interest-bearing net debt	192,344 <sup>1)</sup>	104,992 <sup>1)</sup>	98,927 <sup>1)</sup>	110,143 <sup>1)</sup>
Interest-bearing net debt to EBITDA	2.7	2.2	2.7	3.6
Net debt/equity ratio	36.0	-6.1	23.9	3.6
CapEx ratio, %	3.2	1.8	2.1	3.7
<b>RETURN MEASURE</b>				
Adjusted return on average capital employed, %	31.3	32.5	15.7	6.2
Debt/equity ratio, %	1.0	-5.8	1.3	9.4
<b>EMPLOYEES</b>				
Average number of employees	589	419	463	494

1) Does not include accrued interest attributable to outstanding convertible bonds.

**ALTERNATIVE KEY RATIOS NOT DEFINED IN ACCORDANCE WITH BFNAR**

The following tables show reconciliation of adjusted net sales, organic growth, acquired growth, EBITDA, EBITDA-margin, EBITA, EBITA-margin, EBIT-margin, adjusted EBITDA, adjusted EBITDA-margin, adjusted EBITA, adjusted EBITA-margin, adjusted EBIT, adjusted EBIT-margin, operating cash flow, operative cash conversion, working capital, working capital in relation to net sales, average

capital employed, interest-bearing net debt, average interest-bearing net debt, average equity, interest-bearing net debt in relation to adjusted EBITDA, net debt/equity ratio, adjusted return on average capital employed, CAPEX-ratio and debt/equity ratio. For description of key ratios not defined by BFNAR and motivation for their use, refer to "Definitions of key ratios not defined by BFNAR" below.

**SALES MEASURES**

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of acquired and organic growth in net sales</b>				
(A) Net sales previous year <sup>1)</sup>	672,724	750,523	774,915	694,500
(B) Organic net sales <sup>2)</sup>	10,590	-77,799	-24,392	80,415
(C) Acquired net sales <sup>3)</sup>	107,605	-	-	-
Net sales <sup>4)</sup>	790,919	672,724	750,523	774,915
<b>(B/A) Organic net sales growth, %</b>	<b>1.6</b>	<b>-10.4</b>	<b>-3.1</b>	<b>11.6</b>
<b>(C/A) Acquired net sales growth, %</b>	<b>16.0</b>	<b>-</b>	<b>-</b>	<b>-</b>

1) Audited BFNAR key ratios.

2) Included in net sales.

3) Included in net sales.

4) Audited BFNAR key ratios.

## INCOME MEASURE AND MARGIN MEASURE

SEK THOUSAND	2017	2016	2015	2014
<b>(A) EBITDA</b>	<b>61,610</b>	<b>26,729</b>	<b>14,367</b>	<b>25,830</b>
Depreciation/amortisation of tangible and intangible fixed assets	-26,056	-17,756	-18,008	-22,025
<b>(B) EBITA</b>	<b>35,554</b>	<b>8,973</b>	<b>-3,641</b>	<b>3,805</b>
Depreciation/amortisation of acquisition-related intangible fixed assets	-20,531	-17,821	-17,820	-17,790
<b>(C) Operating profit (EBIT)</b>	<b>15,023</b>	<b>-8,848</b>	<b>-21,461</b>	<b>-13,985</b>
<b>Items affecting comparability<sup>1)</sup></b>				
Adjustments for the exclusion of Stockholm Anläggning	5,136	12,415	12,726	3,116
Non-recurring items (Termination costs)	1,266	6,494	7,213	0
Non-recurring items (Relocating costs)	970	1,963	629	0
Non-recurring items (Others)	1,687	1,212 <sup>2)</sup>	2,237	1,663
<b>Total adjustments</b>	<b>9,059</b>	<b>22,084</b>	<b>22,805</b>	<b>4,779</b>
<b>(D) Adjusted EBITDA</b>	<b>70,669</b>	<b>48,813</b>	<b>37,172</b>	<b>30,609</b>
Depreciation/amortisation of tangible and intangible fixed assets	-26,056	-17,756	-18,008	-22,025
<b>(E) Adjusted EBITA</b>	<b>44,613</b>	<b>31,057</b>	<b>19,164</b>	<b>8,584</b>
Depreciation/amortisation of acquisition-related intangible fixed assets	-20,531	-17,821	-17,820	-17,790
<b>(F) Adjusted EBIT</b>	<b>24,082</b>	<b>13,236</b>	<b>1,344</b>	<b>-9,206</b>
<b>(G) Net sales</b>	<b>790,919</b>	<b>672,724</b>	<b>750,523</b>	<b>774,915</b>
(H) Net sales relating to Stockholm Anläggning	-854	-2,210	36,098	72,332
<b>(G-H) Adjusted net sales</b>	<b>791,773</b>	<b>674,934</b>	<b>714,425</b>	<b>702,583</b>
Change in stock of goods under manufacturing, finished goods and work for others in progress	11,515	7,597	-6,466	18,253
Other operating income	2,717	936	1,970	1,527
<b>(I) Adjusted operating income</b>	<b>806,005</b>	<b>683,467</b>	<b>709,929</b>	<b>722,363</b>
<b>(I+H) Total operating income</b>	<b>805,150</b>	<b>681,257</b>	<b>746,027</b>	<b>794,695</b>
(A/(I+H)) EBITDA-margin, %	7.7	3.9	1.9	3.3
(B/(I+H)) EBITA-margin, %	4.4	1.3	-0.5	0.5
(C/(I+H)) EBIT-margin, %	1.9	-1.3	-2.9	-1.8
(D/I) Adjusted EBITDA-margin, %	8.8	7.1	5.2	4.2
(E/I) Adjusted EBITA-margin, %	5.5	4.5	2.7	1.2
(F/I) Adjusted EBIT-margin, %	3.0	1.9	0.2	-1.3

1) Items affecting comparability are attributable to the costs of the dismantling of Stockholm Anläggning, costs for termination of unprofitable contracts, employee termination costs and costs for termination of office lease contracts. The Company assesses that these costs are non-recurring.

2) Includes costs of SEK 500 thousand attributable to due diligence carried out in 2016 for one of the companies that Green Landscaping since acquired in 2017 when the Company conducted a new due diligence. In addition, recruitment costs of SEK 500 thousand are attributable to management recruitment, which was carried out in restructuring the Company's geographical division, from the region Middle and Stockholm, to region East. The Company assesses that these costs are non-recurring. "

**CASH FLOW MEASURES**

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of operating cash flow and cash conversion</b>				
(A) Adjusted EBITDA	70,669	48,813	37,172	30,609
Net investments in tangible and intangible fixed assets	-23,802	-9,694	-13,383	-23,406
Changes in working capital	-28,202	-18,933	10,842	3,354
<b>(B) Operating cash flow</b>	<b>18,665</b>	<b>20,187</b>	<b>34,652</b>	<b>10,557</b>
<b>(B/A) Operating cash conversion, %</b>	<b>26.4</b>	<b>41.4</b>	<b>93.2</b>	<b>34.5</b>

**CAPITAL STRUCTURE AND RETURN MEASURES**

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of working capital and working capital in relation to net sales</b>				
Inventories	31,206	9,633	9,891	6,182
Accounts receivable	184,515	117,098	110,437	110,598
Other current assets	2,517	510	212	544
Accrued, non-voiced income	35,980	23,466	5,841	7,096
Prepayments and accrued income	24,513	15,893	34,120	29,555
Provisions	-8,487	-3,463	-2,358	-3,158
Accounts payable	-131,805	-100,932	-77,054	-67,686
Other current liabilities	-21,824	-20,953	-31,692	-27,103
Invoiced but non-accrued income	-16,492	-9,522	-8,801	-2,845
Accrued expenses and deferred income	-139,987	-66,068	-86,119	-80,616
<b>(A) Working capital</b>	<b>-39,865</b>	<b>-34,338</b>	<b>-45,523</b>	<b>-27,433</b>
(B) Net sales <sup>1)</sup>	790,919	672,724	750,523	774,915
<b>(A/B) Working capital in relation to net sales, %</b>	<b>-5.0</b>	<b>-5.1</b>	<b>-6.1</b>	<b>-3.5</b>

1) Audited BFNAR key ratio.

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of interest-bearing net debt and net debt/equity ratio</b>				
Long-term interest-bearing financial liabilities	144,109	80,846	81,996	89,236
Current interest-bearing financial liabilities	81,971	30,261	20,821	24,997
Cash and cash equivalents and other current investments	-33,735	-6,115	-3,890	-4,090
<b>(A) Interest-bearing net debt</b>	<b>192,344<sup>1)</sup></b>	<b>104,992<sup>1)</sup></b>	<b>98,927<sup>1)</sup></b>	<b>110,143<sup>1)</sup></b>
(B) Equity	5,344	-17,176	4,144	30,955
<b>(A/B) Net indebtedness, times</b>	<b>36.0</b>	<b>-6.1</b>	<b>23.9</b>	<b>3.6</b>

1) Does not include accrued interest attributable to outstanding convertible bonds.

**CAPITAL STRUCTURE AND RETURN MEASURES, CONT.**

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of return on equity and working capital</b>				
(A) Adjusted EBITA	44,613	31,057	19,164	8,584
Shareholder equity at the beginning of the period	-17,176	4,144	30,955	56,066
Shareholder equity at the end of the period	5,344	-17,176	4,144	30,955
<b>(B) Average Shareholder equity</b>	<b>-5,916</b>	<b>-6,516</b>	<b>17,550</b>	<b>43,511</b>
Interest-bearing net debt at the beginning of the period	104,992	98,927	110,143	81,737
Interest-bearing net debt at the end of the period	192,344	104,992	98,927	110,143
<b>(C) Average interest-bearing net debt</b>	<b>148,668</b>	<b>101,960</b>	<b>104,535</b>	<b>95,940</b>
<b>(B+C) Average working capital</b>	<b>142,752</b>	<b>95,444</b>	<b>122,085</b>	<b>139,451</b>
<b>(A/(B+C)) Adjusted return on average capital employed, %</b>	<b>31.3</b>	<b>32.5</b>	<b>15.7</b>	<b>6.2</b>

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of interest-bearing net debt in relation to adjusted EBITDA</b>				
(A) Interest-bearing net debt	192,344	104,992	98,927	110,143
(B) Adjusted EBITDA	70,669	48,813	37,172	30,609
<b>(A/B) Interest-bearing net debt in relation to adjusted EBITDA, times</b>	<b>2.7</b>	<b>2.2</b>	<b>2.7</b>	<b>3.6</b>

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of CAPEX-ratio</b>				
(A) Acquisition of tangible assets	25,159	12,350	15,223	26,263
(B) Adjusted net sales	791,773	674,934	714,425	702,583
<b>(A/B) CAPEX-ratio, %</b>	<b>3.2</b>	<b>1.8</b>	<b>2.1</b>	<b>3.7</b>

SEK THOUSAND	2017	2016	2015	2014
<b>Calculation of debt/equity ratio</b>				
(A) Equity	5,344	-17,176	4,144	30,955
(B) Total Assets	553,390	295,037	312,985	328,880
<b>(A/B) Debt/equity ratio, %</b>	<b>1.0</b>	<b>-5.8</b>	<b>1.3</b>	<b>9.4</b>

## DEFINITIONS OF KEY RATIOS NOT DEFINED BY BFNAR

Key ratios	Definition	Purpose
<b>Net Sales</b>	Net sales include revenue related to the Company's sales.	Net sales is presented since it shows the Company's sales revenues.
<b>Net sales growth</b>	Change in net sales as percentage of net sales during the comparison period.	Change in net sales is used as it is considered to contribute to investors' understanding of the Company's historical development.
<b>Adjusted net sales</b>	Net sales adjusted for Stockholm Anläggning, attributable to projects in the sub-segment landscaping.	Stockholm Anläggning has been excluded since it will not be a part of Green Landscaping's operations going forward.
<b>Adjusted total operating income</b>	Total operating income adjusted for Stockholm Anläggning, attributable to projects within the market segment "Landscaping".	Stockholm Anläggning has been excluded since it will not be a part of Green Landscaping's operations going forward.
<b>Organic net sales growth</b>	Change in net sales in comparable units after adjustments relating to acquisition effects, as a percentage of net sales during the comparison period.	Organic net sales growth excludes the effects of changes in the Company's structure, which enables for a comparison of the historical development of net sales.
<b>Acquired net sales growth</b>	Change in net sales growth as a percentage of net sales during the comparison period, driven by acquisitions. Acquired net sales is defined as net sales during the period that are attributable to companies acquired during the most recent 12-month period and for these companies only net sales up until twelve months after the acquisition date is considered as acquired.	Acquired net sales growth reflects the impact of the acquired units on net sales.
<b>Order backlog</b>	The value of outstanding not yet accrued project revenues from received orders at the end of the period.	The order backlog is an indicator of the Company's outstanding project revenues from already received orders.
<b>Changes in order backlog</b>	Percentage change in order backlog between the comparison periods.	Change in order backlog is stated by the Company as it is considered to contribute to investors' understanding of how the Company's order backlog developed historically.
<b>EBIT-margin</b>	Operating profit (EBIT) divided by total net sales.	EBIT-margin is used to measure operating profitability.
<b>EBITA</b>	Operating profit (EBIT) before amortisation and impairment of acquisition-related tangible and intangible fixed assets.	EBITA is used since the Company believes it gives an overall view of profit generated by operating activities.
<b>EBITA-margin</b>	Operating profit (EBIT) before amortisation and impairment of acquisition-related tangible and intangible fixed assets, in percent of total operating income.	EBITA-margin is used to measure operating profitability.
<b>EBITDA</b>	Operating profit (EBIT) before depreciation, amortisation and impairment of intangible fixed assets.	EBITDA together with EBITA gives a whole picture of profit generated in ongoing operations.
<b>EBITDA-margin</b>	Operating profit (EBIT) before depreciation, amortisation and impairment of intangible fixed assets, as a percentage of net sales.	EBITDA-margin is used to measure operating profitability.
<b>Adjusted EBIT</b>	EBIT adjusted for items affecting comparability.	Adjusted EBIT increases the comparability of EBIT.
<b>Adjusted EBIT-margin</b>	EBIT-margin adjusted for items affecting comparability, as percentage of net sales.	Adjusted EBIT-margin is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.
<b>Adjusted EBITA</b>	EBITA adjusted for items affecting comparability.	Adjusted EBITA increases the comparability of EBITA.
<b>Adjusted EBITA-margin</b>	EBITA-margin adjusted for items affecting comparability, as percentage of net sales.	Adjusted EBITA-margin is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.

## SELECTED HISTORICAL FINANCIAL INFORMATION

Key ratios	Definition	Purpose
<b>Adjusted EBITDA</b>	EBITDA adjusted for items affecting comparability.	Adjusted EBITDA increases the comparability of EBITDA.
<b>Adjusted EBITDA-margin</b>	EBITDA-margin adjusted for items affecting comparability, as percentage of net sales.	Adjusted EBITDA-margin is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.
<b>Operating cash flow</b>	Adjusted EBITDA minus net investments in tangible and intangible fixed assets as well as adjustments for cash flow from changes in working capital.	Operating cash flow is used to monitor the cash flow generated by the operating activities.
<b>Operative cash conversion</b>	Operating cash flow as a percentage of adjusted EBITDA.	Operative cash conversion is used to monitor the efficiency of the Company's management of ongoing investments and working capital.
<b>Working capital</b>	Inventories, accounts receivable, other receivable, accrued non-invoiced income, prepaid expenses and accrued income and other current assets, minus provisions, accounts payable, invoiced but non-accrued income, accrued expenses and deferred income and other current liabilities.	Working capital is used to measure the Company's ability to meet short-term capital requirements.
<b>Working capital in relation to net sales</b>	Working capital at the end of the period as a percentage of net sales.	Working capital in relation to net sales is used to measure the Company's working capital tie-up.
<b>Average capital employed</b>	Average equity plus average interest-bearing net debt.	Average capital employed is used to show the Company's overall capital efficiency.
<b>Interest-bearing net debt</b>	Long-term and current interest-bearing liabilities less cash and cash equivalents and other current investments.	Interest-bearing net debt is used as a measure to show the Company's total indebtedness.
<b>Average interest-bearing net debt</b>	The average of the interest-bearing net debt at the beginning and the end of the year.	Average interest-bearing net debt is used as a measure to show the Company's total indebtedness over a year.
<b>Average equity</b>	Average of the equity at the beginning and end of the year.	Average equity shows the equity position over a year.
<b>Interest-bearing net debt to adjusted EBITDA</b>	Interest-bearing net debt in relation to adjusted EBITDA.	Interest-bearing net debt to adjusted EBITDA is used to show the financial risk and the Company's level of indebtedness.
<b>Net indebtedness</b>	Interest-bearing net debt less cash and cash equivalents divided by total equity.	Net indebtedness is used to provide investors' with an understanding of the Company's financial position.
<b>Adjusted return on average capital employed</b>	Adjusted EBITA in percentage of average capital employed.	Adjusted return on average capital employed has been included to provide investors with an understanding of the Company's profitability in relation to the capital employed. Adjusted EBITA is used as it excludes items affecting comparability, which enables for comparing the underlying operating profitability.
<b>CAPEX ratio</b>	Investments in tangible fixed assets as a percentage of adjusted net sales.	CAPEX ratio is used to show the Company's investments in tangible fixed assets in relation to the Company's adjusted net sales.
<b>Debt/equity ratio</b>	Equity as a percentage of total debt.	Debt/equity ratio is used to show the Company's financial stability.
<b>Sales per employee</b>	Total operating income in relation to the average number of employees.	Sales per employee is used to show how effective the Company's employees contribute to the sales.

# OPERATIONAL AND FINANCIAL OVERVIEW

The information below shall be read together with the sections “Selected historical financial information”, “Pro forma financial statement”, “Capital structure, indebtedness and other financial information” and the audited consolidated financial statements with associated notes for the financial year ended 31 December 2015, 2016 and 2017, which have been incorporated by reference and accordingly form a part of the Prospectus. Amounts provided in this section have in some cases been rounded off and thereby do not always total correctly. The annual reports for the financial years ended 31 December 2015, 2016 and 2017 have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board’s general guidelines BFNAR 2012:1 Annual accounts and consolidated accounts (K3). This section may contain prospective statements that reflect the Group’s current view of future events and financial and operational results. Such prospective statements are associated with both known and unknown risks and circumstances outside the Group’s control. See the section “Risk factors” for a description of some, but not all, factors that may lead to the Group’s future earnings and development deviating significantly from those expressed or implied in any prospective statement.

## SIGNIFICANT FACTORS THAT AFFECT GREEN LANDSCAPING’S EARNINGS

Green Landscaping’s earnings have been affected, and may also in continuation be affected, by certain important factors, particularly the ability over time to secure contracts and optimise the contract portfolio, the ability to streamline the operations, the Company’s capacity for effective management of capital and cash flow and seasonal variations. All of these factors are described below.

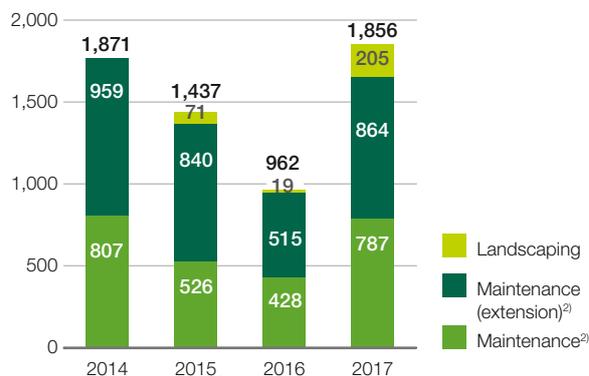
### The ability over time to secure contracts and optimise the contract portfolio

Green Landscaping’s ability to continue to grow and create profitability presupposes that the Company succeeds in securing and maintaining a portfolio with profitable contracts by preserving a disciplined method for the tenders and focusing an active optimisation of the tender procedures and contracts. Maintaining a structured method for procurements is central to securing contracts over time and for the operations to be profitable, mainly with regard to the long-term nature of the contracts. For more information on Green Landscaping’s method for procurements, also refer to “Business description” – “Structured tendering process”.

Contracts with a value in excess of around SEK 587 thousand are covered by a competitive procurement procedure and are generally limited in time, with the possibility of an extension, usually of two to four years. As regards to value, this option was utilised in 91 percent of the of the contracts that expired in 2017. In the contracts that expired in 2017, the Company won back 84 percent of the total contract value.<sup>1)</sup> For more information on Green Landscaping’s winning tenders, also refer to “Business description – Customers and contract portfolio”. The diagram “Order backlog (SEK Million)” to the right shows Green Landscaping’s value growth trend of the Company’s order book per year for the period 2015–2017 divided into the segments of landscaping and maintenance with extension options for maintenance. In light of the Company’s success in terms of winning tender processes, Green Landscaping is of the opin-

ion that the Company is well positioned to continue winning contracts. The long-term perspective in Green Landscaping’s contract portfolio and Green Landscaping’s ability to win new contracts provides a good visibility over the revenues and stable results.

## ORDER BACKLOG (SEK MILLION)<sup>1)</sup>



Information based on unaudited information obtained from Green Landscaping’s internal reporting system on contract values per 31 December 2017 including utilisation of extension period and the Company’s estimate for additional sales.

- 1) See the section “Selected historical financial information” – “Definitions of key ratios not defined by BFNAR”.
- 2) Maintenance include grounds maintenance, sports grounds maintenance and arborist services.

In addition, Green Landscaping’s operations are dependent on costs for the Company’s contracts being correctly calculated and controlled so that the costs stay within what is estimated at contract signing. Upon incorrect calculations or estimates, or deficient control, profitability can be lower than expected. Oppositely, a well-supported contract estimate and an efficient performance of the contract may also result in the profitability being higher than expected. Since 2015, the Company has discontinued unprofitable contracts to optimise the contract portfolio, which combined with a careful control over the operations has contributed to Green Landscaping’s positive earnings and margin development over the period 2014–2017.

1) Calculated as the value of renewed contracts divided by the value of all contracts that expired in 2017.

**Ability to streamline the operations**

In recent years, the Company has introduced a number of initiatives to improve Green Landscaping’s operational efficiency and profitability. Operational efficiency in the business refers to the Company’s ability to act cost-effectively and optimise the investments in working capital and fixed assets to generate an attractive gross margin. In 2017, goods for resale and subcontractors, personnel expenses corresponded to 48 percent, respectively 35 percent, of the Group’s total costs. Green Landscaping works with central framework agreements and coordination of the purchasing process in the Group to achieve economies of scale. The Company deems that there is continued potential to improve the purchasing process through standardisation and coordination. For more information on Green Landscaping’s purchasing process, refer to the section “Business description” – “Business model”.

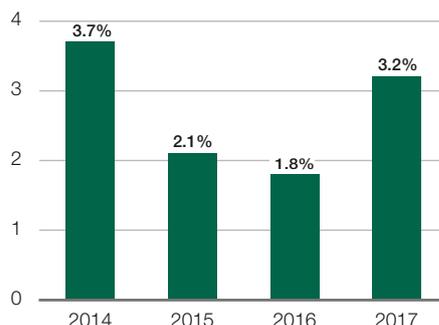
Green Landscaping has increased focus on “LEAN” and “Policy Deployment” to improve profitability and productivity in the Group. In addition, since 2014, Green Landscaping has reduced the number of suppliers from 2,082 to 1,585 in 2017 and increased the share of the Group’s purchase costs from the Group’s 10 largest suppliers from 17 percent in 2014 to 23 percent in 2017.

Consolidation of suppliers has resulted in lower purchasing costs, which in turn has had a positive impact on the Company’s profitability. The Company’s efficiency enhancement efforts have partially contributed to an improved EBITDA-margin, which has increased by 5.8 percentage points from 1.9 percent 2015 to 7.7 percent 2017.<sup>1)</sup> For more information on Green Landscaping’s methods for efficiency enhancement of the operations, refer to the section “Business description” – “Internal governance, follow-up and actions”.

**Effective management of capital and cash flow**

Green Landscaping is a service company with a focus on grounds maintenance and landscaping, which contributes to limited investment needs in capital-intensive equipment. The Company uses subcontractors with the right expertise and equipment in projects that require large machinery and the Company only has a few leased heavy machines and other capital-intensive equipment on its own balance sheet. The diagram “CAPEX-ratio (Pro forma 2017)” below shows Green Landscaping’s CAPEX ratio from 2014 to 2017.

**CAPEX-RATIO (PRO FORMA 2017)<sup>1)</sup>**

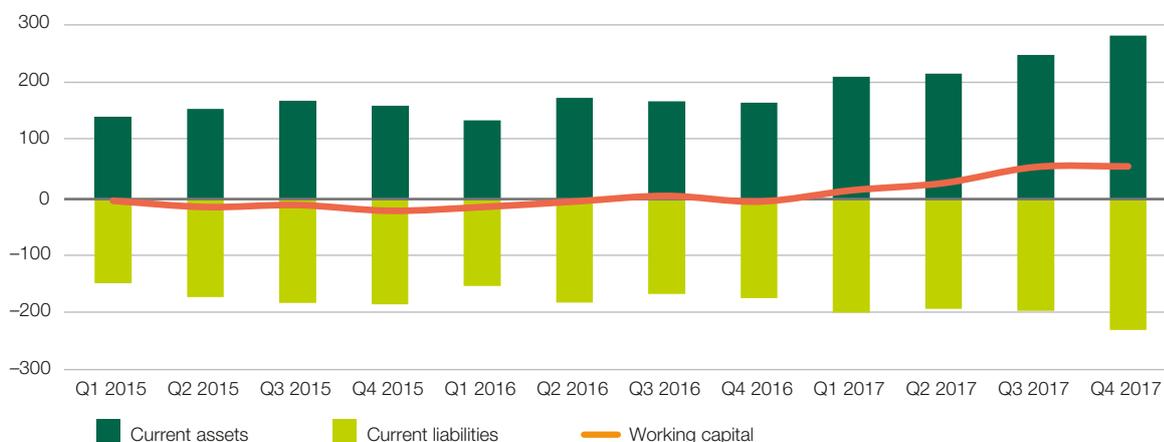


In addition, Green Landscaping actively works with cash flow management through early invoicing to customers to minimise own working capital. The Company believes that there is continued potential for further effective cash flow management through close contact with suppliers and subcontractors for active invoicing to Green Landscaping’s customers.

Average working capital for the period 2015-2017 (pro forma 2017) amounted to SEK 7.6 million. Working capital is the lowest at the beginning of the year due to lower activity in the operations, while working capital tends to be higher in the closing quarter of the year.

The graph “Development of working capital 2015–2017 (pro forma 2017) (SEK million)” below illustrates Green Landscaping’s working capital from January 2015 to December 2017 (pro forma 2017).

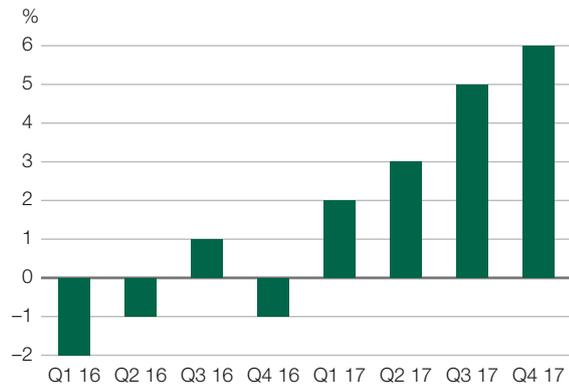
**DEVELOPMENT OF WORKING CAPITAL 2015–2017 (PRO FORMA 2017) (SEK MILLION)<sup>1)</sup>**



1) Working capital is adjusted for exclusion of Stockholm Anläggning, Wheels4u and net debt items (interest expenses, earnouts and financing costs), and includes pro forma full-year consolidation of acquisitions in 2017. The information is based on unaudited information obtained from Green Landscaping’s internal reporting system. For information on definitions of key ratios, see “Definitions of key ratios not defined by BFNAR” in the section “Selected historical financial information”.

Figure below shows the Company's working capital in relation to adjusted sales for a rolling 12 months.<sup>1)</sup> During the period 2016–2017, average working capital in relation to adjusted sales (pro forma 2017) was rolling 12 months to 1.6 percent.

#### WORKING CAPITAL IN RELATION TO ADJUSTED NET SALES (PRO FORMA 2017) ROLLING 12 MONTHS<sup>1)</sup>



#### SEASONAL VARIATIONS

Green Landscaping's first quarter (1 January to 31 March) generally generates lower sales and earnings due to the climate and restraint from actors in the public and private sector from spending large parts of the budget at the beginning of the year. Sales and earnings are also positively impacted by months with a greater need of maintenance of green areas, which generally occur in the months of June and September. Green Landscaping's fourth quarter (1 October to 31 December) usually generates the highest sales and earnings due to actors spending the remaining value of the budget. The impact from these seasonal variations can be influenced, however. For the operations in snow clearance, Green Landscaping strives to use subcontractors with transparent agreements to transfer weather risk to its subcontractors to the furthest possible extent. In addition, the Company uses seasonal workers and subcontractors during the high season.

#### COMMENTS ON THE FINANCIAL DEVELOPMENT 2017 financial year compared with the 2016 financial year

##### Net sales

The Group's net sales increased by SEK 118,195 thousand, or 17.6 percent, from SEK 672,724 thousand in 2016 to SEK 790,919 thousand in 2017. The increase in sales was mainly attributable to the four acquisitions carried out in 2017, which contributed to an acquired net sales growth of 16 percent. Organic net sales growth increased by 1.6 percent in 2017.

##### Operating profit

The Group's operating profit increased by SEK 23,871 thousand from SEK –8,848 thousand in 2016 to SEK 15,023 thousand in 2017. The higher operating profit was mainly attributable to the four acquisitions carried out in 2017. This increase was partly countered by increased personnel costs, which increased by SEK 23,965 thousand from SEK –252,456 thousand in 2016 to SEK –276,421 thousand in 2017, attributable to an increase of the number of employees through the acquisitions carried out by the Company in 2017. In addition, the increase in the Group's improved operating profit was countered by increased merchandise and subcontractors, which increased by SEK 31,329 thousand from SEK –348,396 thousand in 2016 to SEK –379,725 thousand in 2017, attributable to the acquisitions carried out by the Company in 2017.

In 2017, operating income was charged with items affecting comparability of SEK 9,059 thousand compared to SEK 22,084 thousand in 2016, mainly attributable to the divestment of the former district Stockholm Anläggning, termination of unprofitable contracts and severance pay for termination of staff and office leases.

##### Financial income

The Group's financial income increased by SEK 1,951 thousand, or 348 percent, from SEK 561 thousand in 2016 to SEK 2,512 thousand in 2017. The Group's financial income was comprised of interest on deposited funds.

##### Financial expenses

The Group's financial expenses increased by SEK 6,046 thousand, or 48 percent, from SEK –12,725 thousand in 2016 to SEK –18,771 thousand in 2017.

##### Profit/loss before and after tax

Consolidated profit/loss before tax increased by SEK 19,777 thousand from SEK –21,012 thousand in 2016 to SEK –1,235 thousand in 2017. Consolidated profit/loss after tax increased by SEK 16,049 thousand from SEK –22,284 thousand in 2016 to SEK –6,235 thousand in 2017.

##### Tax

The Group's tax expenses increased by SEK 3,728 thousand, or 293 percent, from SEK –1,272 thousand in 2016 to SEK –5,000 thousand in 2017. The increase was mainly attributable to improved operating profit.

##### Cash flow

###### Cash flow from operating activities

Cash flow from operating activities increased by SEK 18,204 thousand, or 698 percent, from SEK 2,607 thousand in 2016 to SEK 20,811 thousand in 2017. The increase was primarily attributable to changes in working capital as shown below.

1) Adjusted net sales (pro forma 2017) rolling 12 months is adjusted for exclusion of Stockholm Anläggning, Wheels4u and includes pro forma full-year consolidation of acquisitions in 2017. Furthermore, it is adjusted for percentage of completion method and project smooth-outs related to Green Landscaping AB. Working capital is adjusted for exclusion of Stockholm Anläggning, Wheels4u and net debt items (interest expenses, earnouts and financing costs) and includes pro forma full-year consolidation of acquisitions in 2017. The information is based on unaudited information obtained from Green Landscaping's internal reporting system. For information on definitions on key ratios, see "Definitions of key ratios not defined by BFNAR" in the section "Selected historical financial information".

Cash flow from changes in working capital amounted to SEK –28,202 thousand in 2017. The negative change in working capital was mainly attributable to changes in operating receivables which decreased by 43,308 thousand and a decrease of stock by 8,177 thousand. The decrease was partially counteracted by increasing operating liabilities of SEK 23,283 thousand.

*Cash flow from investing activities*

Cash flow from investing activities decreased by SEK 89,876 thousand, from SEK –9,694 thousand in 2016 to –99,570 thousand in 2017. The decrease was primarily attributable to acquisitions of subsidiaries, which increased by SEK 75,768 thousand in 2017 and increased investments in tangible assets, which increased by SEK 12,809 thousand or 104 percent, from SEK –12,350 thousand under 2016 to SEK –25,159 thousand in 2017.

*Cash flow from financing activities*

Cash flow from financing activities increased by SEK 97,067 thousand, or 1,042 percent, from SEK 9,312 thousand in 2016 to SEK 106,379 thousand in 2017. The increase was mainly attributable to loans taken in conjunction with acquisition of subsidiaries, which increased by SEK 93,823 thousand or 1,210 percent, from SEK 7,751 thousand in 2016 to SEK 101,574 thousand in 2017.

*Liquidity and financial position*

Consolidated equity increased by SEK 22,520 thousand from SEK –17,176 thousand in 2016 to SEK 5,344 thousand in 2017. The increase was mainly attributable to an increase in other additional paid-in capital of 28,411 thousand. The Group's interest-bearing net debt increased by SEK 87,352 thousand, or 83 percent, from SEK 104,992 thousand in 2016 to SEK 192,344 thousand in 2017. The Group's liabilities increased by SEK 235,833 thousand, or 76 percent, from SEK 312,213 thousand in 2016 to SEK 548,047 thousand in 2017. The increase was mainly attributable to an increase in accrued expenses and prepaid income of SEK 73,919 thousand, and an increase in debt to credit institutions equivalent to SEK 85,758 thousand. Consolidated cash and cash equivalents increased by SEK 27,620 thousand, or 452 percent, from SEK 6,115 thousand in 2016 to SEK 33,735 thousand in 2017.

**2016 financial year compared with the 2015 financial year**

**Net sales**

The Group's net sales decreased by SEK 77,799 thousand, or 10 percent, from SEK 750,523 thousand in 2015 to SEK 672,724 thousand in 2016. The decrease in sales was attributable to the Company concluding unprofitable projects and focusing on creating stability and profitability over growth.

**Operating profit**

The Group's operating profit, increased by SEK 12,613 thousand from SEK –21,461 thousand in 2015 to SEK –8,848 thousand in 2016. The increased operating profit was mainly attributable to efficiency improvements of the Company's organisation in the form of lower personnel expenses and reduced general expenses due to cut-backs of central functions. In 2016, operating profit was charged by items affect-

ing comparability of SEK 22,084, compared to 22,805 in 2015, mainly attributable to the divestment of the Group's previous district Stockholm Anläggning, cancellation of unprofitable contracts and severance pay for the termination of personnel and rental contracts for offices.

**Financial income**

The Group's financial income decreased by SEK 71 thousand, or 11 percent, from SEK 632 thousand in 2015 to SEK 561 thousand in 2016. The Group's financial income was comprised of interest on deposited funds.

**Financial expenses**

The Group's financial expenses increased by SEK 913 thousand, or 8 percent, from SEK –11,812 thousand in 2015 to SEK –12,725 thousand in 2016.

**Profit/loss before and after tax**

Consolidated profit/loss before tax increased by SEK 11,629 thousand, or 36 percent, from SEK –32,641 thousand in 2015 to SEK –21,012 thousand in 2016. Consolidated profit/loss after tax increased by SEK 12,173 thousand, or 35 percent, from a loss of SEK 34,457 thousand in 2015 to a loss of SEK 22,284 thousand in 2016.

**Tax**

The Group's tax expenses decreased by SEK 545 thousand, or 30 percent, from SEK –1,817 thousand in 2015 to SEK –1,272 thousand in 2016.

**Cash flow**

*Cash flow from operating activities*

Cash flow from operating activities decreased by SEK 10,794 thousand, or 81 percent, from SEK 13,401 thousand in 2015 to SEK 2,607 thousand in 2016. The decrease was mainly attributable to changes in working capital as per below.

Cash flow from changes in working capital amounted to SEK –18,933 million in 2016. The negative change in working capital was mainly attributable to the change in operating liabilities, which decreased by SEK 13,555 thousand and an increase in claims on liabilities to assignment clients under construction contracts corresponding to SEK 16,904 thousand. The negative change in working capital was partly countered by reduced operating receivables of SEK 11,268 thousand.

*Cash flow from investing activities*

Cash flow from investing activities increased by SEK 3,989 thousand, or 29 percent, from SEK –13,683 thousand in 2015 to SEK –9,694 thousand in 2016. The increase was mainly attributable to reduced investments in property, plant and equipment, which decreased by SEK 2,873 thousand, or 19 percent, from SEK –15,223 thousand in 2015 to SEK –12,350 thousand in 2016.

*Cash flow from financing activities*

Cash flow from financing activities increased by SEK 9,230 thousand, or 11,256 percent, from SEK 82 thousand in 2015 to SEK 9,312 thousand in 2016. The increase was mainly attributable to a higher overdraft facility utilisation of SEK 9,440 thousand and a decrease in amortisation of loans by SEK 15,801 thousand, or 67 percent, from SEK –23,701 thousand in 2015 to SEK –7,900 thousand in 2016.

**Liquidity and financial position**

Consolidated equity decreased by SEK 21,320 thousand from SEK 4,144 thousand in 2015 to SEK -17,176 thousand in 2016. The decrease was mainly attributable to retained earnings including profit/loss for the year. The Group's interest-bearing net debt increased by SEK 6,065 thousand, or 3 percent, from SEK 98,927 thousand in 2015 to SEK 104,992 thousand in 2016. The Group's liabilities increased by SEK 3,372 thousand, or 1 percent, from SEK 308,841 thousand in 2015 to SEK 312,213 thousand in 2016. Non-current liabilities decreased by SEK 1,150 thousand from SEK 81,996 thousand in 2015 to SEK 80,846 thousand in 2016. In addition, current liabilities increased by SEK 3,417 thousand, or 2 percent, from SEK 224,487 thousand in 2015 to SEK 227,904 thousand in 2016. The increase was mainly attributable to an increase in accounts payable of SEK 23,878 thousand. This increase was partly countered by a decrease in accrued expenses and deferred income equivalent to SEK 20,051. Consolidated cash and cash equivalents increased by SEK 2,225 thousand, or 57 percent, from SEK 3,890 thousand in 2015 to SEK 6,115 thousand in 2016.

**CAPITAL RESOURCES****Intangible assets**

At 31 December 2017, Green Landscaping's intangible assets amounted to SEK 140,877 thousand. The majority of the Group's intangible assets consisted of goodwill, which arose through the acquisition of subsidiaries.

**Tangible assets**

At 31 December 2017, Green Landscaping's property, plant and equipment amounted to SEK 81,817 thousand and primarily consisted of machinery and vehicles, such as cars, light trucks and lawn mowers, financed through leasing.

**Finance and operating leases**

Green Landscaping has both financial and operating leases. Financial leases relate to machinery, cars, light trucks and lawn mowers, which amounted to SEK 48.8 million at 31 December 2017. Through operating leasing agreements Green Landscaping is a lessee for office rent. At 31 December 2017, the Group's commitments for operating leases amounted to a total of SEK 21.9 million.

**Investments****Investments made**

Green Landscaping's primary investments are comprised of acquisitions. In 2017, the Company acquired 100 percent of the shares of Björnentreprenad AB, Tranemo Trädgårdstjänst AB, J E Eriksson Mark & Anläggningsteknik AB and Svensk Jordelit AB for a total of SEK 75.8 million, which was primarily financed in the scope of credits received. The Company deems that the Group has a good financial position for a continued expansion through acquisitions financed by self-generated cash flows and third-party financing.

Green Landscaping's operating investments mainly consist of investments in property, plant and equipment in the form of machinery and vehicles. In addition, the Group also conducted some minor investments in development of IT and digitalisation of processes. Operating investments in property, plant and equipment amounted to SEK 15,223 thousand in 2015, SEK 12,350 thousand in 2016 and SEK 25,159 thousand in 2017 financed through cash flow from operating activities and with leasing. The Company deems that there is potential for greater utilisation of existing machinery in the future, which reduces the need for further investments. The Company accordingly deems that future investment levels for operating investments in property, plant and equipment are reflected well in the current investment level.

**Ongoing and approved investments**

The Group has no significant on-going investments at the time of the Prospectus. Nor have any clear commitments been made at the time of the Prospectus regarding individual, material investments for the foreseeable future.

**SIGNIFICANT EVENTS AFTER 31 DECEMBER 2017**

In conjunction with the Offering, the Company will conduct a conversion of preference shares and convertible bonds into ordinary shares in the Company. For more information on the conversion of the ownership structure, refer to section "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible bonds".

Besides the aforementioned events, no significant changes have occurred regarding the Group's financial position since 31 December 2017.

# PRO FORMA FINANCIAL STATEMENT

## PURPOSE OF THE PRO FORMA FINANCIAL STATEMENT

In 2017, Green Landscaping carried out four acquisitions, which individually are not of such a scope that any of the acquisitions give rise to preparing pro forma financial statement in the Prospectus. However, together, the acquisitions constitute an extensive gross change, which means that Green Landscaping has chosen to prepare pro forma financial statement on a voluntary basis.

The purpose of the consolidated pro forma statements below is to illustrate how acquired companies and related loan financing would have impacted Green Landscaping's consolidated income statement for the full year 2017 as if they had been acquired on 1 January 2017. No pro forma balance sheet has been prepared since all acquisitions are included in the Company's balance sheet as of 31 December 2017.

The sole purpose of the pro forma statements is to provide information and to highlight facts. The pro forma financial statement is intended only to inform and highlight the facts. The pro forma income statement does not show the period's actual earnings and nor does it constitute a forecast of future earnings, but rather is only intended to illustrate a hypothetical impact on Green Landscaping's income statement. Furthermore, the pro forma financial statement is not representative of how the results will look in the future. Investors should therefore be careful not to attach too much focus on the pro forma financial statement.

The pro forma financial statement should be read together with the other information in the Prospectus.

## BACKGROUND

Green Landscaping works on the basis of an active acquisition strategy. Continuously, a large part of Green Landscaping's growth is expected to consist of strategic acquisitions, among other things, with the purpose of expanding operations and entering new markets. In 2017, the Company carried out four acquisitions, Björnentreprenad, Tranemo Trädgårdstjänst, J E Mark och Jordelit, which resulted in a stronger presence in the regions of eastern and western Sweden as well as within sports ground maintenance. The following is a description of the Companies acquired in 2017, which are also the basis of the pro forma statement in the Prospectus.

### Acquisition of Tranemo Trädgårdstjänst

On 1 July 2017, the Company acquired all shares in Tranemo Trädgårdstjänst. The acquisition was part of the Company's strategy, to grow in the market Borås, Tranemo, Ulricehamn. Tranemo Trädgårdstjänst is a specialist company operating in landscaping and grounds maintenance. Since then Tranemo Trädgårdstjänst has maintained its brand and operates as a subsidiary to the Company.

### Acquisition of Björnentreprenad

On 7 July 2017, the Company acquired all shares in Björnentreprenad. The acquisition was part of the Company's strategy, to grow within region East and to strengthen the customer offering in the region. Björnentreprenad is a full service company within landscaping, snow removal and other services in northern Stockholm. Since then Björnentreprenad has maintained its brand and operates as a subsidiary to the Company.

### Acquisition of J E Mark

On 17 November 27, the Company acquired all shares in J E Mark. The acquisition was part of the Company's strategy, to grow within Region East and to strengthen the competence in landscaping. J E Mark is a company engaged in the design, construction and maintenance of land in Stockholm County. Since then J E Mark has maintained its brand and operates as a subsidiary to the Company.

### Acquisition of Jordelit

On 24 November 2017, the Company acquired all shares in Jordelit. The acquisition was part of the Company's strategy, to grow within the segment sports grounds maintenance. Jordelit is a specialist company with operations in consultation and supply of care products, primarily in golf and football, based in Gothenburg. Since then Jordelit has maintained its brand and operates as a subsidiary to the Company.

Acquired company	Date for consolidation	Date for acquisition
Tranemo Trädgårdstjänst	1 July 2017	1 July 2017
Björnentreprenad	1 July 2017	7 July 2017
J E Mark	1 December 2017	17 November 2017
Jordelit	1 December 2017	24 November 2017

## GROUNDS FOR PRO FORMA FINANCIAL STATEMENT

### Accounting principles

The pro forma income statement have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 Annual reports and consolidated financial statements (K3) applied by the Company and Tranemo Trädgårdstjänst, which is described in their respective annual reports for 2016.

The unaudited income statements of the acquired companies have been based on each company's internal reports as of 1 January 2017 until the date when the respective company was consolidated in the consolidated financial statements. The pro forma income statement is thus prepared as if all companies had been acquired with accession as of 1 January 2017.

The internal reports of Björnentreprenad, J E Mark and Jordelit, which the pro forma financial statement is based on, have been prepared in accordance with the Swedish Annual Accounts Act as well as BFNAR 2008:1 (K2).

No pro forma adjustments have been taken into account regarding synergies or integration costs.

### Bases for pro forma financial statements

The pro forma financial statement for 2017 has been prepared on the basis of the Company's consolidated audited annual reports and the unaudited internal financial statements of the acquired Companies for the period 1 January 2017 to the date for each acquisition.

## PRO FORMA ADJUSTMENTS

Pro forma adjustments are described in detail below and in the notes to the pro forma financial statement. Unless otherwise stated, the adjustments are recurrent.

### Adjustments of accounting principles

A significant difference in accounting principles has been identified between Green Landscaping and the acquired companies Björnentreprenad and J E Mark. The acquired companies have not applied percentage-of-completion method as a principle of revenue recognition, but instead reported the total revenue and cost linked to a project when the project is essentially completed. This has been adjusted in connection with the pro forma financial statement.

Another difference in accounting principles that has been identified between Green Landscaping and Jordelit is the accounting of financial leasing where Jordelit has reported all leasing as operational leasing. This has been adjusted in connection with the pro forma financial statements.

### Acquisition financing

Pro forma adjustments have been made in the income statement to reflect the impact of the changed financing.

### Financing of Tranemo Trädgårdstjänst and Björnentreprenad

As a result of the acquisition of Tranemo Trädgårdstjänst and Björnentreprenad, Green Landscaping's total loans have increased. Financing has been achieved through re-investments from previous owners (SEK 20,000 thousand), increased borrowing through bank loans (SEK 41,500 thousand), vendor notes (SEK 7,500 thousand) and through cash and cash equivalents (SEK 2,109 thousand).

### Financing of J E Mark and Jordelit

As a result of the acquisitions of J E Mark and Jordelit, Green Landscaping's total loans have increased further. Financing has been achieved through cash, re-investments from previous owners (SEK 16,001 thousand), increased borrowing through bank loans (SEK 22,000 thousand) and new issue of shares (SEK 8,000 thousand) and through cash and cash equivalents (SEK 3,938 thousand).

Interest expense on the increase in borrowing affects the income statement negatively. The bank loan runs at variable interest rates on the development of 3 months STIBOR in 2017, with an additional 4.25 percent. The interest rate on the vendor note is fixed at 8 percent. In total, the pro forma interest expense for the new financing is estimated at SEK -2,039 thousand for 2017, of which SEK -1,182 thousand relates to Tranemo Trädgårdstjänst and Björnentreprenad and SEK -857 thousand relates to the acquisition of J E Mark and Jordelit.)

In total, Green Landscaping has used a total of SEK 6,047 thousand of cash and cash equivalents to carry out the acquisitions. This could have generated interest income, but since the interest rate is as low as it is, this does not affect the pro forma income statements.

### Tax effect on adjustments

In the pro forma financial statement, tax effect has been taken into account on all adjustments as are deemed to be deductible for tax purposes or liable to taxation, irrespective of whether the company to which the adjustment relates is in a tax position.

No tax calculation has been made in respect of the period prior to acquisition. The tax effect in the pro forma financial statement represents a standardised calculation based on 22 percent of profit before tax. Actual tax may differ from these amounts.

## OTHER PRO FORMA ADJUSTMENTS

Jordelit has had some limited transactions with another Green Landscaping company (GML Sport) during the period prior to the acquisition. These transactions have been eliminated in the pro forma financial statement.

## PRO FORMA INCOME STATEMENT 1 JANUARY 2017 TO 31 DECEMBER 2017

The consolidated pro forma statement is based on Green Landscaping's audited consolidated statements for the financial year 2017 and Tranemo Trädgårdstjänst's, Björnentreprenad's, J E Mark's and Jordelit's unaudited accounts for periods from January 1, 2017 until each acquisition date.

As part of the agreement with the sellers of Jordelit, the part of the business that did not fall within Green Landscaping's strategy was not acquired.<sup>1)</sup> Turnover for this business amounted to SEK 18,509 thousand and had a positive operating profit of SEK 304 thousand during the period being performed. Adjustments have been made in the column "Pro forma adjustments for the business not taken over in Jordelit" in the pro forma income statement on the next page for the part of Jordelit's operations, which was not acquired by the Company. These pro forma adjustments are non-recurring.

1) Refers to the sale of quadricycles, work vehicles for parks and sports facilities and motorcycles and mopeds under the secondary name Wheels4u.

**PRO FORMA INCOME STATEMENT 1 JANUARY 2017 TO 31 DECEMBER 2017 IN SUMMARY**

The following companies were acquired in 2017 and included in pro forma financial statement.

	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited		
	Green Landscaping Group 2017-01-01- 2017-12-31	Tranemo Trädgårds- tjänst 2017-01-01- 2017-06-30	Björn- entreprenad 2017-01-01- 2017-06-30	J E Mark 2017-01-01- 2017-11-30	Jordelit 2017-01-01- 2017-11-30	Pro forma adjustments for the business not taken over in Jordelit	Total pro forma adjustments	Note	Pro forma Green Landscaping Group 2017-01-01- 2017-12-31
SEK THOUSAND									
<b>OPERATING INCOME</b>									
Net sales	790,919	38,580	28,513	74,980	87,251	-18,509	-4,877	d, e	996,856
Change in inventory and work in progress on behalf of others	11,515	6,371	-	-	-1,910	200	-		16,176
Other operating income	2,717	605	-	-	-	-	-		3,321
<b>Total operating income</b>	<b>805,150</b>	<b>45,556</b>	<b>28,513</b>	<b>74,980</b>	<b>85,340</b>	<b>-18,309</b>	<b>-4,877</b>		<b>1,016,353</b>
<b>OPERATING EXPENSES</b>									
Merchandise and subcontractor expenses	-379,725	-19,002	-15,109	-42,748	-60,700	14,341	7,706	d, e	-495,236
Other external expenses	-87,283	-5,277	-3,781	-3,298	-6,826	1,386	147	b	-104,932
Personnel expenses	-276,421	-15,564	-8,368	-21,324	-10,214	2,278	-		-329,611
Depreciation and amorti- sation of tangible and intangible assets	-46,587	-3,363	-1,253	-	-159	-	-7,033	a	-58,395
Other operating expenses	-111	-	-	-	-	-	-		-111
<b>Total operating expenses</b>	<b>-790,127</b>	<b>-43,206</b>	<b>-28,511</b>	<b>-67,369</b>	<b>-77,899</b>	<b>18,005</b>	<b>821</b>		<b>-988,286</b>
<b>Operating profit</b>	<b>15,023</b>	<b>2,350</b>	<b>3</b>	<b>7,610</b>	<b>7,441</b>	<b>-304</b>	<b>-4,057</b>		<b>28,067</b>
<b>FINANCIAL ITEMS</b>									
Financial income	2,512	9	241	194	-105	-	-		2,851
Financial expenses	-18,771	-87	-66	-8	-161	0	-2,048	b, c	-21,141
<b>Net financials</b>	<b>-16,259</b>	<b>-78</b>	<b>176</b>	<b>186</b>	<b>-266</b>	<b>0</b>	<b>-2,048</b>		<b>-18,290</b>
<b>Profit before tax</b>	<b>-1,235</b>	<b>2,272</b>	<b>178</b>	<b>7,796</b>	<b>7,175</b>	<b>-304</b>	<b>-6,105</b>		<b>9,776</b>
Income tax	-4,224	-500	-39	-1,715	-1,578	67	-152	b, c, d	-8,142
Other taxes	-776	-	-	-	-	-	-		-776
<b>Net profit</b>	<b>-6,235</b>	<b>1,772</b>	<b>139</b>	<b>6,081</b>	<b>5,596</b>	<b>-237</b>	<b>-6,257</b>		<b>859</b>

**NOTES TO PRO FORMA INCOME STATEMENT 1 JANUARY 2017 TO 31 DECEMBER 2017**

- a) Depreciation of goodwill is adjusted to be included in the total twelve-month period (From 1 December until the acquisition date per respective acquisition) given a depreciation period of 10 years totaling –6,797.4 TSEK (Tranemo Trädgårdstjänst, 6 months: SEK –661.9 thousand, Björnentreprenad, 6 months: SEK –2,056.7 thousand, J E Mark, 11 months: SEK –1,225.7 thousand and Jordelit, 11 months: SEK –2,853.1 thousand). The total goodwill depreciation for the year in the pro forma result is SEK –27,328 thousand. Pro forma adjustment has lasting effect.

Acquisitions, SEK thousand	Goodwill/ acquisition	Depreciation per month	Depreciation during the pro forma period
Tranemo Trädgårdstjänst	13,238	–110	–662
Björnentreprenad	41,133	–343	–2,057
J E Mark	13,371	–111	–1,226
Jordelit	31,125	–259	–2,853
<b>Total</b>	<b>98,867</b>	<b>–824</b>	<b>–6,797</b>

- b) Leasing in Jordelit of ten vehicles (where one vehicle has been leased since 1 January 2017 and the other nine, which are of the same model have been leased since 1 November 2017) have been classified as financial leasing at group level, which for the pro forma period reduces other external costs of SEK 147.2 thousand and increase depreciation by SEK –235.2 thousand and interest expenses by SEK –9.4 thousand. In addition, a tax effect of SEK +21.4 thousand is added. Pro forma adjustment has lasting effect.

Leasing, SEK thousand	Start date	Interest during pro forma period	Adjusted fee during pro forma period	Depreciation during the pro forma period
Vehicle 1	1 January 2017	–7	69	–106
Vehicle 2–10	1 November 2017	–3	79	–129
<b>Total</b>		<b>–9</b>	<b>147</b>	<b>–235</b>

- c) Refers to interest expenses for the new loan financing in Green Landscaping which adversely affects the income statement. Bank loans run with variable interest rates on the development of the three-month STIBOR in 2017, with an additional 4.25 percent. The interest rate on the vendor note is set at 8 percent. The interest rate for the period January 1 – June 31, 2017 relating to the financing of the acquisitions of Tranemo Trädgårdstjänst and Björnentreprenad is adjusted by –882 TSEK for the bank loan (SEK 41,500 thousand) and SEK –300 thousand for the reverse loan (SEK 7,500 thousand), i.e. a total of SEK –1,182 thousand. The interest rate for the period 1 January to 30 November 2017 for the financing of J E Mark and Jordelit is adjusted by SEK –857 thousand for the bank loan (SEK 22,000 thousand). In total, the pro forma interest expense for the new financing is estimated at SEK –2,039 thousand for 2017, with a tax effect of SEK 448.6 thousand (see the heading “*Financing of Acquisitions*” above). The pro forma adjustment has permanent effect.
- d) Change of accounting principles from completed contract method to percentage-of-completion method for fixed-term contracts, in accordance with the Group’s accounting principles (Björnentreprenad SEK +3,224.7 thousand; J E Mark SEK –396.0 thousand) including related tax effects (Björnentreprenad SEK –709.4 thousand; J E Mark SEK +87.1 thousand). After the acquisition, the Company has reported revenues according to the percentage-of-completion method, which is why the effect is permanent.
- e) Elimination of transactions within the Group, carried out between the subsidiary GML Sport and the acquired company Jordelit before the acquisition, by SEK –1,888.3 thousand. Pro forma adjustment has permanent effect to the extent that the Companies have intra-group transactions with each other in the future.

**SUPPLEMENTARY DISCLOSURE TO PRO FORMA INCOME STATEMENT, 1 JANUARY 2017  
TO 31 DECEMBER 2017**

Green Landscaping monitors its operations in three segments. Pro forma figures have been produced per segment to show what these key figures would have been if all companies been acquired with closing as per 1 January 2017. The underlying figures are taken from Green Landscaping's audited consolidated financial statements for the financial year ended 31 December 2017 and from the unaudited internal reports of the acquired Companies.

**2017-01-01–2017-12-31**

Segment	Net sales	Change in stock and ongoing work of behalf of others	Other operating revenues	Sum operating revenues
Arborist services	50,699	–	833	51,532
Ground maintenance and landscaping	814,976	10,329	2,380	827,685
Sports grounds maintenance	131,180	5,847	109	137,136
<b>Total</b>	<b>996,856</b>	<b>16,176</b>	<b>3,321</b>	<b>1,016,353</b>

**Pro forma key ratios**

SEK THOUSAND	2017 Pro forma
<b>SALES MEASURE</b>	
Net sales pro forma	996,856
Adjusted net sales pro forma	997,710
<b>INCOME MEASURE</b>	
EBITDA pro forma	86,462
EBITA pro forma	55,395
Operating profit (EBIT) pro forma	28,067
Adjusted EBITDA pro forma	95,521
Adjusted EBITA pro forma	64,454
Adjusted EBIT pro forma	37,126
<b>MARGIN MEASURE</b>	
<i>EBITDA-margin pro forma, %</i>	8.5
<i>EBITA-margin pro forma, %</i>	5.5
<i>EBIT-margin pro forma, %</i>	2.8
<i>Adjusted EBITDA-margin pro forma, %</i>	9.4
<i>Adjusted EBITA-margin pro forma, %</i>	6.3
<i>Adjusted EBIT-margin pro forma, %</i>	3.6
<b>CASH FLOW AND RETURN MEASURE</b>	
<i>Adjusted return on average capital employed pro forma, %</i>	37.4
<b>EMPLOYEES</b>	
Total revenue per employee pro forma	1,726

**Alternative pro forma key ratios not calculated by BFNAR**

The following tables show reconciliation of adjusted net sales pro forma, EBITDA pro forma, EBITDA-margin pro forma, EBITA pro forma, EBITA-margin pro forma, EBIT-margin pro forma, adjusted EBITDA pro forma, adjusted EBITDA-margin pro forma, adjusted EBITA pro forma, adjusted EBITA-margin pro forma, adjusted EBIT pro forma, adjusted EBIT-margin pro forma, adjusted return on average capital employed pro forma and net sales per employee pro forma in Green Landscaping. For description of the calculation of non-BFNAR measurements and motivation for their use, see the section "Selected historical financial information" – "Definitions of key ratios not defined by BFNAR".

SEK THOUSAND	2017 Pro forma
<b>(A) EBITDA pro forma</b>	<b>86,462</b>
Depreciation and amortization of tangible and intangible assets pro forma	–31,067
<b>(B) EBITA pro forma</b>	<b>55,395</b>
Amortisation of acquisition-related intangible assets pro forma	–27,328
<b>(C) Operating profit (EBIT) pro forma</b>	<b>28,067</b>
<b>Items affecting comparability<sup>1)</sup></b>	
Adjustments for the exclusion of Stockholm Anläggning	5,136
Non-recurring items (termination costs)	1,266
Non-recurring items (relocating costs)	970
Non-recurring items (others)	1,687
<b>Total adjustments</b>	<b>9,059</b>
<b>(D) Adjusted EBITDA pro forma</b>	<b>95,521</b>
Depreciation and amortization of tangible and intangible assets pro forma	–31,067
<b>(E) Adjusted EBITA pro forma</b>	<b>64,454</b>
Amortisation of acquisition-related intangible assets pro forma	–27,328
<b>(F) Adjusted EBIT pro forma</b>	<b>37,126</b>
<b>(G) Net sales pro forma</b>	<b>996,856</b>
(H) Net sales relating to Stockholm Anläggning	–854
<b>(G-H) Adjusted net sales pro forma</b>	<b>997,710</b>
Change in stock of goods under manufacturing, finished goods and work in progress pro forma	16,176
Other operating income pro forma	3,321
<b>(I) Total adjusted operating income pro forma</b>	<b>1,017,207</b>
<b>(I+H) Total operating income pro forma</b>	<b>1,016,353</b>
(A/(I+H)) EBITDA-margin pro forma, %	8.5
(B/(I+H)) EBITA-margin pro forma, %	5.5
(C/(I+H)) EBIT-margin pro forma, %	2.8
(D/I) Adjusted EBITDA-margin pro forma, %	9.4
(E/I) Adjusted EBITA-margin pro forma, %	6.3
(F/I) Adjusted EBIT-margin pro forma, %	3.6

1) Items affecting comparability are attributable to the costs of the dismantling of Stockholm Anläggning, costs for termination of unprofitable contracts, employee termination costs and costs for termination of office lease contracts. The Company assesses that these costs are non-recurring.

**Return measure**

SEK THOUSAND	2017 Pro forma
<b>Calculation of adjusted return on average capital employed pro forma</b>	
(A) Adjusted EBITA pro forma	64,454
Shareholder equity at the beginning of the period pro forma	35,967
Shareholder equity at the end of the period pro forma	5,344
<b>(B) Average shareholder equity pro forma</b>	<b>20,655</b>
Interest-bearing net debt at the beginning of the period pro forma	111,368
Interest-bearing net debt at the end of the period pro forma	192,344
<b>(C) Average interest-bearing net debt pro forma</b>	<b>151,856</b>
<b>(B+C) Average capital employed pro forma</b>	<b>172,511</b>
<b>(A/(B+C)) Adjusted return on average capital employed pro forma, %</b>	<b>37,4</b>

**Employees**

SEK THOUSAND	2017 Pro forma
<b>Calculation of total operating income per employee pro forma</b>	
(A) Total operating income pro forma	1,016,353
(B) Average number of employees	589
<b>(A/B) Total operating income per employee pro forma</b>	<b>1,726</b>

# AUDITORS REPORT ON PRO FORMA FINANCIAL STATEMENT

*To the board of Green Landscaping Holding AB, Reg.no 556771-3465*

We have audited the pro forma financial information presented on pages 80–84 of the prospectus of Green Landscaping Holding AB (publ) dated March 12, 2018.

The pro forma financial information has been prepared for illustrative purposes only to provide information about how the acquisitions of Tranemo Trädgårdstjänst AB, Björntreprenad AB, J E Eriksson Mark & Anläggningsteknik AB and Svensk Jordelit AB might have affected the consolidated balance sheet as of December 31, 2017 of Green Landscaping Holding AB (publ) and the consolidated statement of income of Green Landscaping Holding AB (publ) for the period January 1 – December 31, 2017.

## RESPONSIBILITY OF THE BOARD OF DIRECTORS

It is the responsibility of the board of directors to prepare the pro forma financial information in accordance with the requirements of the Prospectus Regulation 809/2004/EC.

## THE AUDITOR'S RESPONSIBILITY

It is our responsibility to provide an opinion pursuant to Annex II Item 7 of the Prospectus Regulation 809/2004/EC. We are not responsible for expressing any other opinion on the pro forma financial information or any of its constituent elements. We do not accept any responsibility for any financial information used in the compilation of the pro forma financial information beyond that we have for auditor's reports regarding historical financial information issued in the past.

## WORK PERFORMED

We have conducted our work in accordance with FAR's recommendation RevR 5 Examination of Financial Information in Prospectuses. This requires that we comply with FAR's ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of Green Landscaping Holding AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Our work, which involved no independent review or audit of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, assessing the evidence supporting the pro forma adjustments and discussing the pro forma financial information with the management of the company.

We planned and performed our work so as to obtain the information and explanations that we considered necessary to obtain reasonable assurance that the pro forma financial information has been properly compiled on the basis stated on page 81 and that such basis is consistent with the accounting policies of the company.

## OPINION

In our opinion, the pro forma financial information has been properly compiled on the basis stated on page 81 of the prospectus; and that basis is consistent with the accounting policies of Green Landscaping Holding AB (publ).

Stockholm, March 12, 2018

**Ernst & Young AB**

Alexander Hagberg  
*Authorised Public Accountant*

# CAPITAL STRUCTURE, INDEBTEDNESS AND OTHER FINANCIAL INFORMATION

## CAPITAL STRUCTURE AND INDEBTEDNESS

The tables in this section describe Green Landscapings capital structure and net indebtedness at group level as of 31 January 2018. It is based on the Company's actual capital structure and debt as of 31 January 2018, as well as on an adjusted basis to illustrate the effects of certain planned but not yet occurred events will have on the Company's capitalisation and indebtedness.

The column "Reported" below shows the Company's capital structure and debt as of January 31 2018. The column "Adjustments" refers to adjustments made with considerations of the conversion of outstanding convertible claims which amounted to approximately SEK 90.8 million as of 31 January 2018, including accrued interest. Conversions

will be resolved in conjunction with the listing. For more information, refer to "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible debts".

For further information on the Company's share capital and shares, refer to section "Share capital and ownership structure". The information in this section should be read together with the section "Comments on financial development" and Green Landscaping's financial statements with associated notes. In addition to that described below in this section and in the section "Comments on the financial development" – "Significant events after 31 December 2017", no significant changes have occurred in Green Landscaping's capital structure or indebtedness since 31 January 2018.

## Capital structure

SEK THOUSAND	31 January 2018		
	Reported	Adjustments (not audited)	Adjusted (not audited)
<b>Current liabilities</b>			
With guarantee	–	–	–
With collateral	41,560	–	41,560
Without guarantee or collateral	–	–	–
<b>Total current liabilities</b>	<b>41,560</b>	<b>–</b>	<b>41,560</b>
<b>Non-current liabilities</b>			
With guarantee	–	–	–
With collateral	132,238	–	132,238
Without guarantee or collateral	90,847	–90,847 <sup>1)</sup>	–
<b>Total non-current liabilities</b>	<b>223,085</b>	<b>–90,847<sup>1)</sup></b>	<b>132,238</b>
<b>Equity</b>	<b>31 December 2017</b>		
Share capital	2,255	366 <sup>2)</sup>	2,621
Additional paid-in capital	219,380	94,169 <sup>3)</sup>	313,549
Other equity, including profit for the year <sup>4)</sup>	–216,291	–	–216,291
<b>Total equity<sup>5)</sup></b>	<b>5,344</b>	<b>–</b>	<b>100</b>

1) Part of conversion of outstanding convertible bonds that as of 31 January 2018 amounted to SEK 90.8 million including accrued interest.

2) The share capital increase takes into account the final share capital increase that is caused by the conversion of outstanding convertible bonds. For more information, see "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible bonds".

3) The amount refers to total increase due to conversion of total convertible amount including accrued interest per day of conversion.

4) Refers to the balance sheet date as of December 31, 2017, which means that this item does not include earnings for the period January 1, 2018 - January 31, 2018.

5) Refers to the balance sheet date as at 31 January 2018, except as regards included amount regarding the item balanced earnings, which instead relates to the balance sheet date as at 31 December 2017, which means that this item does not include the result for the period 1 January 2018 – 31 January 2018.

## Net debt

SEK THOUSAND	31 January 2018		
	Reported	Adjustments (not audited)	Adjusted (not audited)
(A) Cash and bank balances	41,396	–	41,396
(B) Cash equivalents	–	–	–
(C) Trading securities	–	–	–
<b>(D) Total liquidity (A) + (B) + (C)</b>	<b>41,396</b>	<b>–</b>	<b>41,396</b>
(E) Current financial receivables	–	–	–
(F) Current bank debt	31,875	–	31,875
(G) Current position of non-current debt	9,685	–	9,685
(H) Other current financial debt	–	–	–
<b>(I) Total current financial debt (F) + (G) + (H)</b>	<b>41,560</b>	<b>–</b>	<b>41,560</b>
<b>(J) Net current financial indebtedness (I) – (E) – (D)</b>	<b>164</b>	<b>–</b>	<b>164</b>
(K) Non-current bank loans	37,775	–	37,775
(L) Bonds issued	–	–	–
(M) Other non-current financial debt	185,310	–90,847 <sup>1)</sup>	94,463
<b>(N) Non-current financial indebtedness (K) + (L) + (M)</b>	<b>223,085</b>	<b>–90,847<sup>1)</sup></b>	<b>132,238</b>
<b>(O) Net financial indebtedness (J) + (N)</b>	<b>223,249</b>	<b>–90,847<sup>1)</sup></b>	<b>132,402</b>

1) Part of conversion of outstanding convertible debts that as of 31 January 2018 amounted to SEK 90.8 million including accrued interest.

The information on Green Landscaping's capitalisation and indebtedness on an adjusted basis constitutes forwards looking information, which by nature is intended to describe a hypothetical situation and is provided solely for illustrative purposes. Forwards looking information does not constitute any guarantee of future earnings or growth and actual outcomes may materially deviate from what is directly or indirectly expressed in forwards looking information.

Besides that stated above, the Company has no reason to believe that any significant change in the Company's actual capitalisation has occurred since 31 January 2018.

#### Pledged collaterals and contingent liabilities

As of 31 January 2018, Green Landscaping's collateral amounted to SEK 123.5 million, consisting primarily of floating charges. Per 31 January 2018, no indirect debt or contingent liabilities existed.

#### Agreement on earnouts in conjunction with acquisitions

As of 31 December 2017 the Company had committed to, on certain conditions, effect payment of earnouts totaling a maximum of approximately SEK 40 million (of which a maximum of SEK 15.5 million may be paid in 2018, SEK 4 million for Tranemo Trädgårdstjänst and SEK 11.5 million for Björnentreprenad, and the remaining SEK 24.5 million may be paid out in 2019, SEK 8.5 million for J E Mark and SEK 16 million for Jordelit).

As of day of the Prospectus, no potential earnouts have been determined or paid as a result of acquisitions made. According to the preliminary assessment of the board of directors, maximum earnouts of SEK 15.5 million will be paid out in 2018. After 31 December 2017 no acquisitions with earnout provisions has been made. For more information on

agreed earnouts, please refer to the section "Legal considerations and supplementary information" under "Significant agreements" – "Acquisitions".

#### Financing arrangements

The Company and Green Landscaping AB, GML Sport, Jacksons Trädvård, Tranemo Trädgårdstjänst and Björnentreprenad (together the "Existing Borrowers") have on 17 November 2017 entered into a SEK 180,040 thousand (now SEK 160,040 thousand) facility agreement with Svenska Handelsbanken AB (publ) ("SHB") and Handelsbanken Finans AB (publ) ("SHB Finans" and together with SHB, the "Lenders") as lenders comprising of (i) a SEK 14,450 thousand guarantee facility; (ii) a SEK 59,000 thousand contract credit facility; (iii) a SEK 61,300 thousand overdraft facility; and (iv) a SEK 25,290 thousand leasing and credit facility (the "Existing Facility Agreement").

The obligations under the Existing Facility Agreement are secured by guarantees issued by the Existing Borrowers, pledges over the shares in the Existing Borrowers (other than the Company) and pledges over floating charge certificates issued in the business of the Existing Borrowers (other than the Company).

The Existing Facility Agreement shall be repaid in full on 31 December 2018. The Existing Facility Agreement contains customary undertakings such as financial covenants relating to liquidity and adjusted EBITDA as well as other undertakings including, inter alias, obligations to provide certain information to the Lenders, restrictions relating to dividend payments, undertakings to not change its ownership of shares or voting rights in respect of the shares in any subsidiary other than with SHB's prior consent as well as subordination of certain shareholder loans and other claims vis-à-vis the Lenders' rights under the Existing Facility Agreement.

Moreover, the Existing Facility Agreement contains customary events of default pursuant to which the Lenders for instance are entitled to cancel all credits (or part thereof) together with accrued interest and other amounts due thereon if the Principal Shareholder's (FSN Capital III) ownership equals to less than 51 percent of the total number of shares and votes in the Company (unless agreed by the Lenders), if the security is no longer deemed satisfactory to the Lenders, if an Existing Borrower fails to fulfil certain of its obligations and/or if the Lenders (acting reasonably) have reason to believe that an Existing Borrower will be unable to fulfil its payment obligations pursuant to the Existing Facility Agreement or if an Existing Borrower fails to fulfil any other obligation towards the Lenders other than pursuant to the Existing Facility Agreement.

In connection with completion of the Offering, certain amendments will be made to the existing financial arrangement.

The Existing Borrowers, Jordelit, J E Mark (together the "**Borrowers**") and the Lenders will on or about 12 March 2018 enter into an amended facility agreement in an aggregate amount of SEK 210,040 thousand (the "**Amended Facility Agreement**"). Under the Amended Facility Agreement, an additional facility of up to SEK 50,000 thousand will be made available to the Borrowers for re-distribution under the guarantee facility; the contract credit facility, the overdraft facility and/or the leasing and credit facility and the existing SEK 59,000 thousand contract credit facility together with SEK 14,775 thousand under the overdraft facility may be replaced by an overdraft and cash pool arrangement to which the Company and the other Borrowers will accede (in an amount corresponding to SEK 73,775 thousand).

The termination date under the Amended Facility Agreement falls due on 31 December 2020. In connection with the Amended Facility Agreement certain undertakings relating to for instance restrictions with respect to payment of dividends or subordination of share-holder loans will cease to apply. Certain financial covenants will also be amended and under the Amended Facility Agreement, the financial covenant in respect of adjusted EBTIDA is replaced by an undertaking regarding net debt in relation to EBITDA, GAAP/financial reporting shall include IFRS and certain levels of the financial covenants are changed.

The Amended Facility Agreement contains customary events of default.

The new financial arrangement is conditional upon the completion of the Offering. If the Offering is not completed the existing financial arrangement with the Lenders will remain according to its terms and conditions.

#### **Settlement of preference shares and convertible bonds**

In connection with the listing of the Company's shares on Nasdaq First North, all preference shares will be converted to ordinary shares. After the settlement of the Company's

preference shares have been effected, there will accordingly only be one class of share in the Company, ordinary shares. The Company also has outstanding convertible bonds in various classes which will be settled and converted to ordinary shares in connection with the listing of the Company's shares on Nasdaq First North. For more information, please refer to section "*Share capital and ownership structure*" – "*Settlement of outstanding of preference shares and convertible bonds*".

### **OTHER FINANCIAL INFORMATION**

#### **Working capital statement**

The board of directors of the Company assesses that the current working capital is sufficient for the Group's current needs during the upcoming 12-month period after the date of the Prospectus. Working capital here refers to Green Landscaping's ability to access cash and cash equivalents in order to fulfil its payment obligations as they fall due.

Green Landscaping's cash flow from operating activities amounted to SEK 20.8 million in 2017. The Company has not decided to make any major investments and has no significant on-going investments. In addition, Green Landscaping's cash and cash equivalents amounted to SEK 33.7 million at 31 December 2017 and the Company's unutilised credit facilities at Handelsbanken amounted to SEK 24 million at 31 December 2017.

#### **Tendencies**

Favourable demographic trends represent a major driving force behind the anticipated positive development in the market. Growth is expected to be driven by urbanisation, increased ambitions from municipalities with increased spending on green areas and higher quality and safety requirements combined with increased housing construction. New construction of housing is often done in combination with new construction of outdoor environments such as parks, playgrounds and outdoor gym. Increased quality and safety requirements are expected to further increase the demand of e.g. renovations of playgrounds and outdoor gym. In addition, the market is also affected by the proportion of services outsourced to external suppliers.<sup>1)</sup>

Besides that stated in the Prospectus, there are, insofar as the board of directors is aware, no known tendencies, uncertainty factors, potential claims or other demands, commitments or events that can be expected to have a significant effect on the Company's future prospects.

Nor does Green Landscaping have any knowledge of any public, financial, tax policy, monetary policy or other policy measures that, directly or indirectly, materially impacted or could materially impact the Company's operations. The Company's operations are associated with risks, however. The section "*Risk factors*" presents a number of overall risk factors that are deemed to be able to be significant to Green Landscaping's operations, financial position and future prospects.

1) Strategy& – 2017 Market Report

# FINANCIAL DATA REGARDING SUBSIDIARIES

*In this section, supplementary financial data is presented regarding the Group's subsidiaries in the form of selected historical financial information covering the years 2010–2017. The information for the period 2010–2016 is derived from each Company's audited annual reports, which are available for inspection. The information for 2017 is derived from the respective subsidiaries' unaudited annual reports. Green Landscaping makes the assessment that the selected supplementary financial data below covering the years 2010–2017 is of importance for investors since it provides a possibility to assess the financial development and organic growth over an extended period of time. Green Landscaping's financial year coincides with the calendar year. In those cases where accounts for any subsidiary do not coincide with the calendar year, a standardised recalculation has been made in addition to the information derived from the annual report. In the recalculation, financial information has been based on the proportion of the months of the financial year that fall within a given calendar year. Below are the alternative key ratios that have not been defined by BFNAR. The key ratios listed below have not been audited by the auditor and should not be considered separately from, or as a substitute for, the results obtained by BFNAR. For definitions and explanations for the use of alternative key ratios presented below, see section "Definitions of alternative key ratios not defined by BFNAR".*

## TOTAL OPERATING REVENUES FOR GREEN LANDSCAPING'S SUBSIDIARIES FOR THE YEARS 2010–2017 (SEK THOUSAND)<sup>1)</sup>

Legal entity	2010	2011	2012	2013	2014	2015	2016	2017
Green Landscaping AB <sup>1)</sup>	548,150	580,434	608,229	676,674	709,024	662,351	579,907	586,992
Jacksons Trädvärd <sup>2)</sup>	14,026	17,866	23,759	44,435	30,441	39,774	52,685	51,532
GML Sport <sup>3)</sup>	23,658	32,469	40,475	46,912	57,988	47,138	50,805	61,413
Tranemo Trädgårdstjänst <sup>4)</sup>	80,478	76,860	96,856	91,065	98,355	97,798	88,088	107,721
Björntreprenad <sup>5)</sup>	37,737	39,614	74,721	73,564	79,205	97,714	89,834	68,111
J E Mark <sup>6)</sup>	43,153	48,420	47,701	48,864	58,590	68,542	55,651	71,794
Jordelit <sup>7)</sup>	39,306	47,427	56,556	56,662	64,137	73,379	87,161	87,660

*Note: The information is derived from each company's audited annual reports. The information for 2017 is derived from the respective subsidiaries' unaudited annual reports. The periods refer to the financial year ending in the specified year.*

- For 2010–2017, the information relates to the period 1 January – 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board. When there are no general recommendations from the Board, guidance has been obtained from recommendations of the Swedish Financial Accounting Standards Council. The annual accounts for the financial years ending on 31 December 2014, 2015, 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, BFNAR 2012:1: Annual Report and Consolidated Financial Statements (K3).
- For 2010–2012, the information relates to the period from 1 May to 30 April. For 2013, SEK 25,7 million is attributable to the period 1 May – 30 April and SEK 18,8 million is attributable to the period 1 May – 31 December. For 2014–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ending 30 April 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and general recommendation of the Swedish Accounting Standards Board, BFNAR 2008:1: Annual Report in smaller limited companies. The annual accounts for the financial years ended 31 December 2015, 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ending 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board. When there are no the general recommendations of the Swedish Accounting Standards Board, guidance has been obtained from the general recommendations of the Swedish Financial Accounting Standards Council and, where applicable, statements from FAR SRS. The annual accounts for the financial years ended 31 December 2014 and 2015 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board, BFNAR 2008:1: Annual Report in smaller limited companies (K2). The annual accounts for the financial year ended 31 December 2016 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board, BFNAR 2016:10: Annual Report in Small Limited Companies (K2). The financial statement for the financial year ended 31 December 2017 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3). Does not include GML Sport AB's subsidiary GML Sport Anläggning AB, which was formed in December 2016 and reported total operating income for 2017 of SEK 1,703 thousand. The information is derived from GML Sport Anläggning AB's audited annual report for 2017.
- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board. The financial statements for the financial years ended 31 December 2015, 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board with the exception of BFNAR 2008:1 (K2). The annual accounts for the financial years ended December 31, 2014 and 2015 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board, BFNAR 2008:1: Annual Report in smaller limited companies. The annual accounts for the financial years ended 31 December 2016 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board BFNAR 2016:10: Annual Report in Small Limited Companies (K2). The financial statements for the financial year ended 31 December 2017 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012, 2013, 2014, 2015 and 2016 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, Swedish Financial Accounting Standards Council and the Association of Authorised Public Accountants (FAR). The financial statements for the financial year ended 31 December 2017 have been prepared in accordance with the Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board, BFNAR 2016:10: Annual Report in Small Limited Companies (K2).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The financial statements for the financial year ended 31 December 2010 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, the Swedish Financial Accounting Standards Council and the Association of Authorised Public Accountants (FAR). The annual accounts for the financial year ended December 31, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the the general recommendations of the Swedish Accounting Standards Board. The annual accounts for the financial years ended 31 December 2014 and 2015 have been prepared in accordance with the Annual Accounts Act and the the general recommendations of the Swedish Accounting Standards Board, BFNAR 2008:1 Annual Report in smaller limited companies. The annual accounts for the financial years ended 31 December 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the the general recommendations of the Swedish Accounting Standards Board, BFNAR 2016:10: Annual Report in Small Limited Companies (K2). Jordelit, secondary name Wheels4u is also involved in the sale of quadricycles, work vehicles for parks and sports facilities, motorcycles and mopeds.

### STANDARDISED RECALCULATION OF TOTAL OPERATING REVENUES TO CALENDAR YEARS FOR GREEN LANDSCAPING'S SUBSIDIARIES, FOR THE YEARS 2010–2017 (SEK THOUSAND)

Legal entity	2010	2011	2012	2013	2014	2015	2016	2017
Green Landscaping AB	548,150	580,434	608,229	676,674	709,024	662,351	579,907	586,992
Jacksons Trädvård	16,586	21,795	37,543	27,318	30,441	39,774	52,685	51,532
GML Sport	23,658	32,469	40,475	46,912	57,988	47,138	50,805	61,413
Tranemo Trädgårdstjänst	80,478	76,860	96,856	91,065	98,355	97,798	88,088	107,721
Björnrentreprenad	37,737	39,614	74,721	73,564	79,205	97,714	89,834	68,111
J E Mark	43,153	48,420	47,701	48,864	58,590	68,542	55,651	71,794
Jordelit	39,306	47,427	56,556	56,662	64,137	73,379	87,161	87,660

If the financial year for each subsidiary does not coincide with the calendar year, a standardised recalculation has been made in addition to the information obtained from the annual report. In the recalculation, financial information has been based on the proportion of the financial year months falling within the given calendar year. For a subsidiary with a financial year ending April 30th, revenue for the calendar year 2012 has been calculated as the sum of 4/12 of the revenue for the financial year ending April 30, 2012 and 8/12 of the revenue for the financial year ending April 30, 2013. This means that the conversions have been made without regard to seasonal variations.

### EBITDA FOR GREEN LANDSCAPING'S SUBSIDIARIES FOR THE YEARS 2010–2017 (SEK THOUSAND)

Legal entity	2010	2011	2012	2013	2014	2015	2016	2017
Green Landscaping AB <sup>1)</sup>	-39,936	-13,992	20,154	17,560	-723	-1,404	4,779	16,903
Jacksons Trädvård <sup>2)</sup>	488	3,088	5,134	6,868	3,567	5,445	7,545	4,907
GML Sport <sup>3)</sup>	-76	2,492	3,197	1,865	7,871	-2,724	-285	2,024
Tranemo Trädgårdstjänst <sup>4)</sup>	5,337	4,717	7,608	6,336	10,501	8,138	11,163	14,689
Björnrentreprenad <sup>5)</sup>	2,077	2,721	7,100	7,586	9,897	15,831	12,415	14,852
J E Mark <sup>6)</sup>	702	356	4,238	3,960	7,633	8,811	3,524	7,262
Jordelit <sup>7)</sup>	1,071	1,711	261	1,343	1,214	2,610	4,247	8,372

The information for the period 2010–2016 is derived from each company's revised annual reports. The information for 2017 is derived from the respective subsidiaries' unaudited annual reports. The periods refer to the financial year ending in the specified year.

- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board. When there are no general recommendations from the Board, guidance has been obtained from recommendations of the Swedish Financial Accounting Standards Council. The annual accounts for the financial years ended 31 December 2014, 2015, 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).
- For 2010–2012, the information relates to the period from 1 May to 30 April. For 2013, SEK 2.6 million is attributable to the period 1 May – 30 April and SEK 2.6 million is attributable to the period 1 May – 31 December. For 2014–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 30 April 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board, BFNAR 2008:1 Annual Report in smaller limited companies. The annual accounts for the financial years ended 31 December 2014, 2015, 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K2).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the General recommendations of the Swedish Accounting Standards Board. When there is no general recommendations from the board, guidance has been obtained from the Swedish Financial Accounting Standards Council recommendations and, where applicable, statements from FAR SRS. The annual accounts for the financial years ended 31 December 2014 and 2015 have been prepared in accordance with the Annual Accounts Act and the General recommendations of the Swedish Accounting Standards Board, BFNAR 2008:1 Annual Report in smaller limited companies (K2). The annual accounts for the financial years ended 31 December 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board, BFNAR 2016:10 Annual Report in Small Limited Companies (K2). The annual accounts for the financial year ended 31 December 2017 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3). Does not include GML Sport AB's subsidiary GML Sport Anläggning AB, which was formed in December 2016 and reported an EBITDA for 2017 of SEK 1,599 thousand. The information is taken from GML Sport Anläggning AB's audited annual report for 2017.
- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the General recommendations of the Swedish Accounting Standards Board. The annual accounts for the financial years ended 31 December 2014, 2015, 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board, BFNAR 2012: 1 Annual Report and Consolidated Financial Statements (K3).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The annual accounts for the financial years ended 31 December 2010, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the General recommendations of the Swedish Accounting Standards Board for Small Enterprises with the exception of BFNAR 2008:1 Annual Report in Small Limited Companies (K2). Annual reports for the financial years which ended December 31, 2014 and 2015 have been prepared in accordance with the Annual Accounts Act and the General recommendations of the Swedish Accounting Standards Board, BFNAR 2008:1 Annual Report in smaller limited companies (K2). The annual accounts for the financial year ended 31 December 2016 have been prepared in accordance with the Annual Accounts Act and the General recommendations of the Swedish Accounting Standards Board, BFNAR 2016: 10 on the annual accounts of smaller companies (K2). The annual accounts for the financial year ended 31 December 2017 have been prepared in accordance with the Annual Accounts Act and the General advice of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The financial statements for the financial year ended 31 December 2010, 2011, 2012, 2013, 2014, 2015, and 2016 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, the Swedish Financial Accounting Standards Council and the Association of Authorised Public Accountants (FAR). The annual accounts for the financial years ended 31 December 2017 have been prepared in accordance with the Annual Accounts Act and the General recommendations of the Swedish Accounting Standards Board, BFNAR 2008:1 Annual Report in smaller limited companies (K2).
- For 2010–2017, the information relates to the period from 1 January to 31 December. The financial statements for the financial year ended 31 December 2010 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, the Swedish Financial Accounting Standards Council and the Association of Authorised Public Accountants (FAR). Annual reports for the financial year as ended December 31, 2011, 2012 and 2013 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board. The annual accounts for the financial years ended 31 December 2014 and 2015 have been prepared in accordance with the general recommendations of the Swedish Accounting Standards Board BFNAR 2008:1 Annual Report in smaller limited companies. The annual accounts for the financial years ended 31 December 2016 and 2017 have been prepared in accordance with the Annual Accounts Act and the general recommendations of the Swedish Accounting Standards Board, BFNAR 2016:10 Annual Report in Smaller Limited Companies (K2). Jordelit, Secondary name Wheels4u is also involved in the sale of quadricycles, work vehicles for parks and sports facilities, motorcycles and mopeds.

**STANDARDISED RECALCULATION OF EBITDA TO CALENDAR YEAR FOR GREEN LANDSCAPING'S SUBSIDIARIES FOR THE YEARS 2010–2017 (SEK THOUSAND)**

Legal entity	2010	2011	2012	2013	2014	2015	2016	2017
Green Landscaping AB	-39,936	-13,992	20,154	17,560	-723	-1,404	4,779	16,903
Jacksons Trädvård	2,221	4,452	6,290	4,426	3,567	5,445	7,545	4,907
GML Sport	-76	2,492	3,197	1,865	7,871	-2,724	-285	2,024
Tranemo Trädgårdstjänst	5,337	4,717	7,608	6,336	10,501	8,138	11,163	14,689
Björntreprenad	2,077	2,721	7,100	7,586	9,897	15,831	12,415	14,852
J E Mark	702	356	4,238	3,960	7,633	8,811	3,524	7,262
Jordelit	1,071	1,711	261	1,343	1,214	2,610	4,247	8,372

Note: If the financial year for each subsidiary does not coincide with the calendar year, a standardised recalculation has been made in addition to the information obtained from the annual report. In the recalculation, financial information has been based on the proportion of the financial year months falling within the given calendar year. For a subsidiary with a financial year ending April 30th, revenue for the calendar year 2012 has been calculated as the sum of 4/12 of the revenue for the financial year ending April 30, 2012 and 8/12 of the revenue for the financial year ending April 30, 2013. This means that the conversions have been made without regard to seasonal variations.

**EBITDA-MARGIN BASED ON STANDARDISED RECALCULATION OF TOTAL OPERATING REVENUES AND EBITDA FOR GREEN LANDSCAPING'S SUBSIDIARIES FOR THE YEARS 2010–2017**

Legal entity	2010	2011	2012	2013	2014	2015	2016	2017
Green Landscaping AB	-7.3%	-2.4%	3.3%	2.6%	-0.1%	-0.2%	0.8%	2.9%
Jacksons Trädvård	13.4%	20.4%	16.8%	16.2%	11.7%	13.7%	14.3%	9.5%
GML Sport	-0.3%	7.7%	7.9%	4.0%	13.6%	-5.8%	-0.6%	3.3%
Tranemo Trädgårdstjänst	6.6%	6.1%	7.9%	7.0%	10.7%	8.3%	12.7%	13.6%
Björntreprenad	5.5%	6.9%	9.5%	10.3%	12.5%	16.2%	13.8%	21.8%
J E Mark	1.6%	0.7%	8.9%	8.1%	13.0%	12.9%	6.3%	10.1%
Jordelit	2.7%	3.6%	0.5%	2.4%	1.9%	3.6%	4.9%	9.6%

Note: If the financial year for each subsidiary does not coincide with the calendar year, a standardised recalculation has been made in addition to the information obtained from the annual report. In the recalculation, financial information has been based on the proportion of the financial year months falling within the given calendar year. For a subsidiary with a financial year ending April 30th, revenue for the calendar year 2012 has been calculated as the sum of 4/12 of the revenue for the financial year ending April 30, 2012 and 8/12 of the revenue for the financial year ending April 30, 2013. This means that the conversions have been made without regard to seasonal variations.

**ALTERNATIVE KEY RATIOS NOT CALCULATED ACCORDING TO BFAR**
**Income measure and margin measure**
**Green Landscaping AB**

SEK THOUSAND	2010	2011	2012	2013	2014	2015	2016	2017
Operating profit (EBIT)	-56,754	-35,772	-9,265	-4,024	-26,106	-18,459	-11,729	-956
Depreciation/amortisation of tangible and intangible fixed assets	16,818	21,780	29,419	21,584	25,383	17,055	16,508	17,859
<b>(A) EBITDA</b>	<b>-39,936</b>	<b>-13,992</b>	<b>20,154</b>	<b>17,560</b>	<b>-723</b>	<b>-1,404</b>	<b>4,779</b>	<b>16,903</b>
Net sales	547,015	576,301	602,052	684,476	691,060	672,814	570,371	580,277
Change in stock of goods under manufacturing, finished goods and work in progress	0	1,428	3,680	-9,455	17,579	-11,656	7,855	5,816
Other operating income	1,135	2,706	2,497	1,654	384	1,193	1,681	898
<b>(B) Total operating income</b>	<b>548,150</b>	<b>580,434</b>	<b>608,229</b>	<b>676,674</b>	<b>709,024</b>	<b>662,351</b>	<b>579,907</b>	<b>586,992</b>
(A/B) EBITDA-margin, %	-7.3	-2.4	3.3	2.6	-0.1	-0.2	0.8	2.9

**ALTERNATIVE KEY RATIOS NOT CALCULATED ACCORDING TO BFAR, CONT.****Income measure and margin measure, cont.****Jacksons Trädvård**

SEK THOUSAND	2010	2011	2012	2012-05-01 -2013-04-30	2013-05-01 -2013-12-31	2014	2015	2016	2017
Operating profit (EBIT)	-251	2,109	4,078	2,618	2,545	2,462	4,346	6,491	3,468
Depreciation/amortisation of tangible and intangible fixed assets	739	979	1,056	1,045	660	1,105	1,099	1,054	1,439
<b>(A) EBITDA</b>	<b>488</b>	<b>3,088</b>	<b>5,134</b>	<b>3,663</b>	<b>3,205</b>	<b>3,567</b>	<b>5,445</b>	<b>7,545</b>	<b>4,907</b>
Net sales	14,026	17,807	23,268	25,633	18,688	30,172	39,412	52,239	50,699
Other operating income	0	58	492	42	72	269	361	446	833
<b>(B) Total operating income</b>	<b>14,026</b>	<b>17,866</b>	<b>23,759</b>	<b>25,675</b>	<b>18,760</b>	<b>30,441</b>	<b>39,774</b>	<b>52,685</b>	<b>51,532</b>
(A/B) EBITDA-margin, %	3.5	17.3	21.6	14.3	17.1	11.7	13.7	14.3	9.5

**GML Sport**

SEK THOUSAND	2010	2011	2012	2013	2014	2015	2016	2017
Operating profit (EBIT)	-175	2,396	3,120	1,811	7,063	-3,583	-1,138	697
Depreciation/amortisation of tangible and intangible fixed assets	99	96	77	54	809	859	853	1,327
<b>(A) EBITDA</b>	<b>-76</b>	<b>2,492</b>	<b>3,197</b>	<b>1,865</b>	<b>7,871</b>	<b>-2,724</b>	<b>-285</b>	<b>2,024</b>
Net sales	21,744	31,458	39,993	45,006	56,441	42,871	50,283	61,815
Change in stock of goods under manufacturing, finished goods and work in progress	1,652	789	365	1,637	673	3,853	-258	-501
Other operating income	262	221	117	268	874	415	781	99
<b>(B) Total operating income</b>	<b>23,658</b>	<b>32,469</b>	<b>40,475</b>	<b>46,912</b>	<b>57,988</b>	<b>47,138</b>	<b>50,805</b>	<b>61,413</b>
(A/B) EBITDA-margin, %	-0.3	7.7	7.9	4.0	13.6	-5.8	-0.6	3.3

**Tranemo Trädgårdstjänst**

SEK THOUSAND	2010	2011	2012	2013	2014	2015	2016	2017
Operating profit (EBIT)	3,268	2,650	5,593	4,354	4,510	1,859	5,204	7,920
Depreciation/amortisation of tangible and intangible fixed assets	2,069	2,067	2,014	1,982	5,991	6,279	5,959	6,769
<b>(A) EBITDA</b>	<b>5,337</b>	<b>4,717</b>	<b>7,608</b>	<b>6,336</b>	<b>10,501</b>	<b>8,138</b>	<b>11,163</b>	<b>14,689</b>
Net sales	79,682	76,009	96,362	90,299	97,286	96,990	87,434	106,240
Activated work for own account	281	149	165	535	315	0	0	0
Other operating income	515	701	329	231	753	809	654	1,481
<b>(B) Total operating income</b>	<b>80,478</b>	<b>76,860</b>	<b>96,856</b>	<b>91,065</b>	<b>98,355</b>	<b>97,798</b>	<b>88,088</b>	<b>107,721</b>
(A/B) EBITDA-margin, %	6.6	6.1	7.9	7.0	10.7	8.3	12.7	13.6

## Björntreprenad

SEK THOUSAND	2010	2011	2012	2013	2014	2015	2016	2017
Operating profit (EBIT)	1,207	1,406	5,729	6,202	8,096	13,862	9,755	12,389
Depreciation/amortisation of tangible and intangible fixed assets	870	1,315	1,371	1,384	1,801	1,969	2,660	2,463
<b>(A) EBITDA</b>	<b>2,077</b>	<b>2,721</b>	<b>7,100</b>	<b>7,586</b>	<b>9,897</b>	<b>15,831</b>	<b>12,415</b>	<b>14,852</b>
Net sales	37,669	39,554	73,947	73,159	78,651	97,389	89,073	67,631
Other operating income	68	60	775	405	554	324	762	480
<b>(B) Total operating income</b>	<b>37,737</b>	<b>39,614</b>	<b>74,721</b>	<b>73,564</b>	<b>79,205</b>	<b>97,714</b>	<b>89,834</b>	<b>68,111</b>
(A/B) EBITDA-margin, %	5.5	6.9	9.5	10.3	12.5	16.2	13.8	21.8

## ALTERNATIVE KEY RATIOS NOT CALCULATED ACCORDING TO BFAR, CONT.

## Income measure and margin measure, cont.

## J E Mark

SEK THOUSAND	2010	2011	2012	2013	2014	2015	2016	2017
Operating profit (EBIT)	-133	-156	3,633	3,346	6,908	7,828	2,526	6,201
Depreciation/amortisation of tangible and intangible fixed assets	835	512	605	615	724	982	999	1,061
<b>(A) EBITDA</b>	<b>702</b>	<b>356</b>	<b>4,238</b>	<b>3,960</b>	<b>7,633</b>	<b>8,811</b>	<b>3,524</b>	<b>7,262</b>
Net sales	39,816	53,825	50,938	47,678	59,805	67,525	49,744	77,525
Change in stock of goods under manufacturing, finished goods and work in progress	3,337	-5,405	-3,237	1,186	-1,215	1,017	5,907	-5,818
Other operating income	0	0	0	0	0	0	0	87
<b>(B) Total operating income</b>	<b>43,153</b>	<b>48,420</b>	<b>47,701</b>	<b>48,864</b>	<b>58,590</b>	<b>68,542</b>	<b>55,651</b>	<b>71,794</b>
(A/B) EBITDA-margin, %	1.6	0.7	8.9	8.1	13.0	12.9	6.3	10.1

## Jordelit

SEK THOUSAND	2010	2011	2012	2013	2014	2015	2016	2017
Operating profit (EBIT)	715	1,359	-117	990	798	2,119	3,778	8,185
Depreciation/amortisation of tangible and intangible fixed assets	356	352	378	354	416	491	469	187
<b>(A) EBITDA</b>	<b>1,071</b>	<b>1,711</b>	<b>261</b>	<b>1,343</b>	<b>1,214</b>	<b>2,610</b>	<b>4,247</b>	<b>8,372</b>
Net sales	39,170	47,282	56,412	56,218	64,016	72,635	86,574	87,163
Other operating income	135	144	144	444	121	743	586	498
<b>(B) Total operating income</b>	<b>39,306</b>	<b>47,427</b>	<b>56,556</b>	<b>56,662</b>	<b>64,137</b>	<b>73,379</b>	<b>87,161</b>	<b>87,660</b>
(A/B) EBITDA-margin, %	2.7	3.6	0.5	2.4	1.9	3.6	4.9	9.6

# SHARE CAPITAL AND OWNERSHIP STRUCTURE

## GENERAL INFORMATION

As of the day of the Prospectus, the Company's registered share capital amounts to SEK 2,254,560, divided between a total of 33,818,400 shares, of which 7,266,150 are ordinary shares of series A and 26,552,250 shares are preference shares of different series (18,716,400 series B, 939,000 series C, 720,000 series D, 997,350 series E, 5,107,500 series F and 72,000 series Z), all with a quota (par) value of approximately SEK 0,067.<sup>1)</sup> Shares of each class can be issued up to an amount corresponding to the whole share capital. Preference shares have preferential rights to all forms of value transfers from the Company to the shareholders up to a certain amount calculated according to a specific formula and enumeration factor based on the issue price and the last possible date of payment. All rights to value transfers will subsequently accrue ordinary shares of series A. In conjunction with the listing of the Company's shares on Nasdaq First North, the current preference share structure will be settled, after which the Company will only have shares of one class which all will carry equal rights.

At the extraordinary general meeting held on 7 February 2018, it was resolved to include a CSD clause in the articles of association, as a result of which the shares are issued in dematerialised form through the services of Euroclear Sweden AB (P.O. Box 191, SE-101 23 Stockholm, Sweden). According to the Swedish Financial Instruments Accounts Act (Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument), Euroclear is the central securities depository and clearing organisation for the shares. Accordingly, no share certificates have been issued and any share transfers are made electronically. All shares are fully paid and denominated in the currency SEK. The ISIN-code for the Company's ordinary shares is SE0010985028.

All shares have been issued in accordance with Swedish law. The shareholders' agreement currently in force will be terminated in connection with the listing of the Company's shares on Nasdaq First North and other than the lock-up arrangements described below (please refer to "Shareholders' agreement and lock-up arrangements" below), the shares will not be subject to any transfer restrictions. The shares are not subject to any mandatory takeover bid, redemption right or redemption obligation. The Company's shares have never been subject to any public takeover bids. The shares are not subject to any conversion provisions. Neither the Company nor its subsidiaries own any shares in the Company.

## SHARE CAPITAL DEVELOPMENT

### Group formation and subsequent restructuring

The Company's was formed as an off-the-shelf company in 2008 and the Company started its operations in 2009 through a consolidation of the companies ISS Landscaping AB, Jungs Trädgårdsplanering Aktiebolag, Mark & Trädgårdsanläggare Sjunnesson AB and Qbikum Mark och Park AB.

### Settlement of outstanding preference shares and convertible bonds

As of the date of the Prospectus, ordinary shares and preference shares of different classes are issued in the Company. In connection to the listing of the Company's shares on Nasdaq First North, all preference shares will be converted to ordinary shares. Thus, after the settlement of the Company's preference shares there will only be one class of shares in the Company, ordinary shares.

The conversion of the Company's preference shares will be effected through a conversion (1:1) of certain preference shares to ordinary shares. In order for the settlement of the Company's preference shares to result in equal treatment of all shareholders based on the value of their shares prior to the Offering, the settlement of the preference shares will also include a reduction of the share capital by way of directed redemption (Sw. *riktad inlösen*) of excess preference shares not converted into ordinary shares. The value of ordinary shares in said conversions will be correspond to the Offering price whereby the exact relationship between the number of preference shares converted and the number of preference shares redeemed depends on the final offer price. In conjunction with the reduction of the share capital a bonus issue will be issued without the issue of new shares to compensate for the share capital reduction and to adjust the quota value to the new number of shares. The exact amount of the bonus issue is dependent on the share capital and number of shares after settlement of the current preference share structure, which in turn depends on the final offering price.

The Company also has outstanding convertibles bonds in various series issued during the period 2009–2017. Outstanding convertibles bonds convert under the terms and conditions of the convertible bonds to both ordinary shares and preference shares. The total nominal amount of all outstanding convertible bonds amounts to approximately SEK 52.7 million. Convertible bonds converting into preference shares run with 12 percent interest rate (compound

1) As of December 31, 2017, the Company's registered share capital amounted to SEK 2,554,560 divided into a total of 225,456 shares, of which 48,441 were Series A ordinary shares and 177,015 were preference shares of various types (124,776 Series B, 6,260 Series C, 4,800 Series D, 6,649 Series E, 34,050 Series F and 480 Series Z). Shares of each share class may be issued to a number corresponding to the entire share capital. The increase in the number of shares in the Company since 31 December 2018 is attributable to a split of shares (1: 150) which was decided at the extraordinary general meeting on 7 February 2018.

interest) and the total convertible claim including accrued interest will amount to a total of SEK 94.5 million at the time of conversion. In conjunction with the listing of the Company's shares on Nasdaq First North, all outstanding convertible bonds will be settled by conversion of the total convertible claim, including accrued interest, into ordinary shares in the Company, either by conversion to ordinary shares and / or, preference shares with subsequent conversion of preference shares to ordinary shares or, as regards certain convertible bonds, a new issue of ordinary shares with payment by way of set-off of the convertible claim. The subscription price in such issue by payment via set-off will be calculated so that the final number of ordinary shares obtained through set-off corresponds to the number that would have been obtained by conversion.

The settlement of the Company's preference shares (including reduction of the share capital and bonus issue) and settlement of outstanding convertible bonds will increase the Company's share capital from 2,254,560 to 2,266,851.08 and the total number of shares in the Company decreases from 33,818,400 to 31,927,480, all of which will be ordinary shares.

Conversion and new issue of shares against payment by set-off against outstanding convertible claim will be resolved upon at extraordinary general meeting around 19 March 2018. All shareholders have undertaken to contribute to the settlement of outstanding preference shares and convertible bonds, and to attend the extraordinary general meeting by proxy and to vote for all of the above mentioned resolutions. The new ordinary shares are expected to be registered with Swedish Companies Registration Office no later than 22 March 2018.

## SHARE CAPITAL DEVELOPMENT

The table below describes the share capital of the Company from the incorporation until the Offering.

Date of decision	Event	Change in share capital (SEK)	Change in number of shares (ORD A)	Change in number of shares (PREF)	Total number of shares	Quota (par) value (SEK)	Total share capital (SEK)
12 November 2008	Incorporation of the Company	100,000	100,000	–	100,000	1	100,000
17 April 2009	Issue of new shares (against payment in cash) <sup>1)</sup>	641,800	12,836	51,344 <sup>2)</sup>	74,180	10	741,800
17 April 2009	Reduction of the share capital <sup>3)</sup>	–100,000	–10,000	–	64,180	10	641,800
8 July 2009	Issue of new shares (against payment in cash)	423,000	8,460	33,840 <sup>2)</sup>	106,480	10	1,064,800
8 July 2009	Issue of new shares (against payment in cash)	15,000	300	1,200 <sup>2)</sup>	107,980	10	1,079,800
7 August 2009	Issue of new shares (against payment in cash)	27,200	544	2,176 <sup>2)</sup>	110,700	10	1,107,000
7 August 2009	Issue of new shares (against payment in cash)	15,000	300	1,200 <sup>2)</sup>	112,200	10	1,122,000
21 April 2010	Issue of new shares (against payment in cash)	44,250	885	3,540 <sup>4)</sup>	116,625	10	1,166,250
7 September 2010 <sup>5)</sup>	Exchange of convertible bonds	207,700	4,154	16,616 <sup>2)</sup>	137,395	10	1,373,950
4 August 2010	Issue of new shares (against payment in cash)	40,000	800	3,200 <sup>6)</sup>	141,395	10	1,413,950
4 August 2010	Issue of new shares (against payment in cash and payment by set-off)	230,000	4,600	18,400 <sup>2)</sup>	164,395	10	1,643,950
14 June 2011	Issue of new shares (against payment by set-off)	60,000	1,200	4,800 <sup>7)</sup>	170,395	10	1,703,950
26 August 2013	Issue of new shares (against payment in cash)	12,620	467	795 <sup>8)</sup>	171,657	10	1,716,570
29 August 2013	Issue of new shares (against payment in cash)	73,170	1,463	5,854 <sup>8)</sup>	178,974	10	1,789,740
7 May 2014	Issue of new shares (against payment by set-off)	21,850	437	1,748 <sup>9)</sup>	181,159	10	1,811,590
26 June 2014	Issue of new shares (against payment in cash)	13,800	276	1,104 <sup>9)</sup>	182,539	10	1,825,390
27 July 2015	Issue of new shares (against payment in cash)	47,710	4,088	683 <sup>9)</sup>	187,310	10	1,873,100
13 October 2015	Issue of new shares (against payment by set-off)	37,690	754	3,015 <sup>9)</sup>	191,079	10	1,910,790
30 June 2017	Issue of new shares (against payment by set-off) <sup>10)</sup>	109,360	2,188	8,748 <sup>9)</sup>	202,015	10	2,020,150
7 July 2017	Issue of new shares (against payment by set-off) <sup>11)</sup>	109,360	2,188	8,748 <sup>9)</sup>	212,951	10	2,129,510
17 November 2017	Issue of new shares (against payment by set-off) <sup>12)</sup>	46,890	938	3,751 <sup>9)</sup>	217,640	10	2,176,400
24 November 2017	Issue of new shares (against payment by set-off) <sup>13)</sup>	7,816	1,563	6,253 <sup>9)</sup>	225,456	10	2,254,560
7 February 2018	Division of shares (split)	–	7,217,709	26,375,235	33,818,400	0.067	2,254,560
Around 19 March 2018	Settlement of outstanding preference shares and convertible bonds. <sup>14)</sup>	12,291.08	24,661,330	–26,552,250	31,927,480	0.071	2,266,851.08
Around 19 March 2018	New issue in the Offering	253,571.459	3,571,429	–	35,498,909	0.071	2,520,422.539

1) In connection with the new issue of shares, a reversed split was issued (10:1).

2) PREF B.

3) Reduction of the share capital was put through in order to achieve an appropriate quota value for the Company's shares.

4) 3,060 PREF B, 480 PREF Z.

5) Refers to the date of registration of conversion with the Swedish Companies Registration Office.

6) PREF C.

7) PREF D.

8) PREF E.

9) PREF F.

10) Subscription price in the issue was SEK 572.20 / ordinary share and SEK 1,000 / preference share series F (before split resolved at extraordinary general meeting 7 february 2018.)

11) Subscription price in the issue was SEK 572.20 / ordinary share and SEK 1,000 / preference share series F (before split resolved at extraordinary general meeting 7 february 2018.)

12) Subscription price in the issue was 2,398 SEK / ordinary share and 1,000 SEK / preference share series F (before split resolved at extraordinary general meeting 7 february 2018.)

13) Subscription price in the issue was 2,398 SEK / ordinary share and 1,000 SEK / preference share series F (before split resolved at extraordinary general meeting 7 february 2018.)

14) Including directed redemption of excess shares and bonus issue. Refer to "Settlement of outstanding preference shares and convertible bonds" above for further information.

### OWNERSHIP STRUCTURE PRIOR TO AND FOLLOWING THE OFFERING

Per the date of the Prospectus, the number of shareholders in the Company amounts to 57 and the Company's largest shareholder is FSN Capital III. The Principal Shareholder holds 20,409,300 shares representing 60.35 percent of the shares and votes in the Company. Apart from that, only the Company's CEO Johan Nordström holds more than 5 percent of the shares in the Company as of the day of the Prospectus. Johan Nordström holds a total of 2,480,250 shares representing 7.33 percent of the shares and votes in the Company through his wholly owned companies CapNorth AB and Johan Nordstrom Invest AB. At this time, board members and senior management in the Company holds a total of 4,906,166 shares and votes (personally and through companies). All shares in the Company have the same voting rights. For more information on holding of board members and senior management, please refer to section "Board of directors, senior management and auditors".

The table below shows the ownership structure of the Company, as of the day of the Prospectus, immediately prior to and immediately following the completion of the Offering, under the assumption that the Over-allotment option is not utilised, as well as under the assumption that the Over-allotment option is fully utilised. Ownership after the Offering's completion in the table below is accounted for the subscription of shares of board members, senior management and other employees and key persons within the Offering to the extent that such subscriptions are known to the Company on the day of the Prospectus. The Companies Act contains minority protection rules to protect minority interests.

The Swedish Companies Act contains provisions on minority protection to protect the minority's interests.

Shareholder	Shareholding as of the day of the Prospectus		Shareholding prior to the Offering but after conversion of outstanding preference shares and convertible bonds into ordinary shares <sup>1)</sup>		Shareholding following the Offering if the Over-allotment option is not utilised <sup>2)</sup>		Shareholding following the Offering if the Over-allotment option is fully utilised	
	Number of shares	%	Number of shares	%	Number of shares	%	Number of shares	%
<b>Shareholders whose holdings exceed or might exceed 5 percent of the shares and votes after the Offering</b>								
FSN Capital III	20,409,300	60.35%	21,745,205	68.11%	9,283,788	26.15%	6,606,288	18.61%
Johan Nordström (CEO) <sup>3)</sup>	2,480,250	7.33%	2,677,502	8.39%	3,391,787	9.55%	3,391,787	9.55%
<b>Sum</b>	<b>22,889,550</b>	<b>67.68%</b>	<b>24,422,707</b>	<b>76.49%</b>	<b>12,675,575</b>	<b>35.71%</b>	<b>9,998,075</b>	<b>28.16%</b>
<b>Selling shareholders beside FSN Capital III and Johan Nordström</b>								
Board members <sup>4)</sup>	1,731,600	5.12%	1,654,095	5.18%	1,646,268	4.64%	1,646,268	4.64%
Senior management in the Company <sup>4)</sup>	793,350	2.35%	631,513	1.98%	615,009	1.73%	615,009	1.73%
Employees and key persons in the Group	6,158,850	18.21%	3,195,172	10.01%	2,786,045	7.85%	2,786,045	7.85%
Other shareholders	2,245,050	6.64%	2,023,993	6.34%	678,297	1.91%	678,297	1.91%
<b>Sum</b>	<b>10,928,850</b>	<b>32.32%</b>	<b>7,504,773</b>	<b>23.51%</b>	<b>5,725,619</b>	<b>16.13%</b>	<b>5,725,619</b>	<b>16.13%</b>
New shareholders	0	0%	0	0%	17,097,715	48.16%	19,775,215	55.71%
<b>Sum</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>17,097,715</b>	<b>48.16%</b>	<b>19,775,215</b>	<b>55.71%</b>
<b>Total</b>	<b>33,818,400</b>	<b>100%</b>	<b>31,927,480</b>	<b>100.00%</b>	<b>35,498,909</b>	<b>100.00%</b>	<b>35,498,909</b>	<b>100.00%</b>

1) For more information, refer to "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible bonds".

2) Under assumption of full participation in the Offering but excluding the Over-allotment option.

3) Through the companies CapNorth AB and Johan Nordstrom Invest AB.

4) Shares are held personally and/or through companies. For more information, refer to "Board of directors, senior management and auditors".

**SELLING SHAREHOLDERS**

The table below shows Selling Shareholders and the number of ordinary shares each Selling Shareholder offers for sale. The address of the Principal Shareholder is Aztec Group House, Box 730, 11–15 Seaton Place, St Helier, Jersey JE4 0QH, Channel Islands. Other Selling Shareholders are reached by the Company's address. All Selling Shareholders are subject to transfer restrictions ("lock-up") for all of their shares that are not sold in the Offering. The lock-up period for Selling Shareholders who are members of the board of directors, senior management or who are employees in the Group is 12 months and the lock-up period for shareholders who are not members of the board of directors, senior management or employees in the Group is six months. For more information, refer to the heading "Shareholder agreement and lock-up arrangements" below.

Shareholders	Number of ordinary shares offered for sale
<i>The Principal Shareholder</i>	
FSN Capital III	12,461,417 <sup>1)</sup>
<i>Board members</i>	
Curt Germundsson	7,827
<i>Employees in the Group<sup>2)</sup></i>	
Carl-Fredrik Meijer <sup>3)</sup>	16,347
Eblon Holding AB	261,206
Hans Lagerström	10,408
IDAMCO AB	11,898
Jakob Körner	18,346
Kristoffer Palmlund	3,750
LinnoKnut Holding AB	1,868
Mika Rasinkangas	531
Mårten Holmqvist	2,651
Per Stjernberg	1,075
Pierre Kubalski	19,811
Sofia Andrén	202
Toppstjärnan AB	77,746
VK Reveny AB	37,792
<i>Former employees in the Group<sup>4)</sup></i>	
Christina Sundström	12,344
Cornelis Altena	33,662
Henrik Berghed	370
Håkan Löfgren	6,172
Jimmy Gunnarsson	6,172
Jimmy Gustavsson	6,172
Katarina Carlfalk	3,086
Knut Engqvist Invest AB	763,714
Lars Jörgner	6,172
Louise Nyström	21,444
Mikaela Friberg	6,172
Ove Anonsen	15,897
Peter Hedlin	208,998
Runar Lindberg	189,557
Skerpan AB	65,764
<b>Total</b>	<b>14,278,571</b>

1) Refers to the number of shares offered for sale on the assumption that the Over-allotment option is not utilised. If the Over-allotment option is fully utilised, the Principal Shareholder will sell a total of 15,138,917 ordinary shares in the Offering.

2) Includes shareholders who are employees in the Group or, in the case of legal persons, shareholders controlled by employees in the Group.

3) Of which 14,304 in person and 2,043 through the company Långvik Invest AB.

4) Includes shareholders who are former employees in the Group or, in the case of legal persons, shareholders controlled by former employees in the Group. Refers to the number of shares offered for sale on the assumption that the Over-allotment option is not exercised. If the Over-allotment Option is exercised in full, the Principal Shareholder will sell a total of 15,138,917 ordinary shares in the Offering.

### SHARE ACQUISITION COMMITMENTS

Prior to the Offering, six Swedish investors have, under certain conditions and at the same price as other investors, placed orders for acquisition of shares in the Offering for a total value of approximately SEK 205 million, corresponding to approximately 9,761,904 shares or approximately 55 percent of the Offering, excluding the exercise of the Over-allotment option. As part of these orders from the Anchor Investors, the Company's CEO, Johan Nordström, has undertaken towards the Selling Shareholders to acquire shares in the Offering for approximately SEK 15 million, corresponding to approximately 4 percent of the Offering, excluding the Over-allotment option. In addition, the Company's CFO, Carl-Fredrik Meijer, has undertaken towards the Selling Shareholders to acquire shares in the Offering for approximately SEK 0.8 million.

The Anchor Investors may come to be especially taken into account in the allotment, but no guarantee of allotment is provided except for Johan Nordström and Carl-Fredrik Meijer, who will be guaranteed allotment. The Anchor Investors do not receive any compensation for their respective orders, which are done under the framework of the Institutional Offering and the applicable terms described in the Prospectus.

### SHAREHOLDERS' AGREEMENT AND LOCK-UP ARRANGEMENTS

All existing shareholders have entered into a shareholders' agreement governing their ownership in the Company. This shareholders' agreement will be terminated in connection with the listing of the Company's shares on Nasdaq First North. Thus, upon completion of the Offering, there will be no shareholders' agreements or similar agreements between the shareholders regarding joint influence over the Company, or which may result in a change of control of the Company.

In connection to the Offering, all current shareholders in the Company will undertake towards the Pareto Securities not to sell or otherwise transfer their shares in the Company for a certain period of time after the trading of the Company's shares on Nasdaq First North has started (so called "lock-up"). The so called lock-up period will be twelve months for shareholding board members, senior management and employees in the Group. For The Principal Shareholder and other shareholders, the so called lock-up period will be six months. The transfer restrictions are subject to customary restrictions and exceptions such as divestments in the context of the Offering, the acceptance of an offer to all shareholders of the Company in accordance with the Swedish takeover rules on terms which treat all such shareholders equally or provision of an unconditional undertaking to accept such an offer, sale or other divestment of shares as a result of an offer from the Company regarding the acquisition of own shares given on equal terms to all shareholders of the Company, or where a transfer of shares is required due to legal, administrative or judicial requirements. In addition thereto, Pareto Securities may grant exemptions from the relevant undertakings, if deemed appropriate by the Managers on a case by case basis, in which situations the shares

may be offered for sale. Granting of exceptions to lock-up commitments is decided on a case by case basis and may be of personal as well as commercial nature. After the expiry of the respective lock-up periods, the shareholders affected by lock-up will be free to sell their shares.

For a description of the lock-up arrangements that will be entered into by the Company in connection with the Offering, please refer to section "*Legal considerations and supplementary information*" (under "*Agreement regarding placing of shares*").

### SHARE RELATED INCENTIVE PROGRAMS

At an extraordinary general meeting to be held on or about 22 March 2018, an incentive program for senior management and other key employees within the Group will be resolved upon. In total, approximately 50 employees will be offered the opportunity to participate in the program, which includes a total of no more than 1,672,723 warrants, each entitling to subscribe for one (1) ordinary share in the Company. Allotment of warrants in the incentive program will be conditional upon subscribers entering into an agreement with the Company's subsidiary Goldcup 16362 AB (name being changed to Green Landscaping Incentive AB) according to which the said subsidiary is entitled to re-purchase participants' warrants if their employment or assignments in the Group ceases within three years from the date of subscription of warrants.

The total number of shares that may arise in connection with the exercise of all warrants under the incentive program amounts to 1,672,723, which corresponds to a dilution effect of 4.5 percent, taking into account the number of shares and votes in the Company after the Offering has been completed (assuming full participation in the Offering). The calculation of the dilution effect also takes into consideration the conversion of outstanding preference shares and convertible bonds in the Company into ordinary shares (for more information, see "*Legal considerations and supplementary information*" – "*Conversion of outstanding preference shares and convertible bonds*").

### DILUTION OF SHAREHOLDING

The existing shareholders normally have a pre-emptive rights to subscribe for new shares, warrants and convertible bonds pro rata to their shareholding. The general meeting, or the board of directors with authorisation from the general meeting, may however resolve to deviate from the shareholders' pre-emptive rights in accordance with the Swedish Companies Act. As of the date of the Prospectus, the board of directors has an authorisation to, with or without preferential rights for existing shareholders, decide on increases of the share capital by issuing new shares or convertible bonds. The authorisation was resolved by the annual general meeting 2017 and is valid until the annual general meeting to be held in 2018.

The Company has a total of 33,818,400 outstanding shares as of the date of the Prospectus of which 7,226,150 are ordinary shares of series A and 177,015 are preference shares of various series. In connection with the Offering,

outstanding preference shares will be settled through a combined conversion of preference shares into ordinary shares and a directed redemption of preference shares (for more information, see “*Settlement of outstanding preference shares and convertible bonds*” above.) The settlement of outstanding preference shares will result in a decrease in the total number of shares in the Company from 33,818,400 to 26,436,396.

The Company has outstanding convertible bonds amounting to approximately SEK 94.5 million including accrued interest, which will be converted to a total of 5,491,084 ordinary shares in the Company shortly before the Offering is completed. Hence, the number of ordinary shares in the Company will increase by 5,491,084, from 26,436,396 (taking into account the above-mentioned settlement of outstanding preference shares) to 31,927,480 shares, corresponding to a dilution effect of approximately 17.2 percent.

Upon full participation in the Offering, the number of shares in the Company will increase by 3,571,429 shares through the new issue of shares in the Offering. Under the assumption of full participation in the Offering, the number of shares in the Company will therefore increase from 31,927,480 (taking into account the above-mentioned settlement of preference shares and conversion of convertible bonds into ordinary shares) to 35,498,909 shares, corresponding to a dilution effect on about 10.0 percent.

For dilution arising from the possible exercise of warrants that will be issued under the incentive program, see the heading “*Share-related incentive program*” above.

#### **RIGHTS ASSOCIATED WITH THE SHARES**

The Company's shares are issued in accordance with Swedish law and the shareholders' rights associated with the shares may only be altered by amending the articles of association in accordance with the Swedish Companies Act. A resolution to amend the articles of association is made by the general meeting and the Swedish Companies Act establishes certain qualified majority requirements for such resolutions made by the general meeting to be effective. Subsequent to the Share Conversion (please refer to the above under “*Settlement of outstanding preference shares and convertible bonds*”) the Company will have only one class of shares within which all shares carry equal rights. Shareholders are entitled to vote for their full number of shares and all shares entitle the holder to one (1) vote at the general meeting.

#### **DIVIDENDS, SHARE IN THE COMPANY'S PROFITS AND PROCEEDS ON LIQUIDATION**

As of the day of the Prospectus there are seven series of shares in the Company. (Refer to section “*Articles of association*” for more information.)

After the settlement of the Company's outstanding preference shares and convertible bonds by conversion to ordinary shares has been completed (refer to “*Settlement of outstanding preference shares and convertible bonds*”), the Company will have only one class of shares, after which all

shares in the Company will give equal rights to dividends, share in the Company's profits and any proceeds in the event of liquidation. Any dividends are resolved upon by the general meeting, which may in general not resolve upon dividends exceeding the amount proposed by the board of directors. Shareholders registered in Euroclear's central securities register on the record date, as established by the general meeting or by the board of directors with authorisation from the general meeting, shall be entitled to dividends. According to the Swedish Companies Act, dividends may only be paid to the amount that there still is unrestricted equity (Sw. *fritt eget kapital*) available, i.e. there must be full coverage for the Company's restricted equity (Sw. *bundet eget kapital*) after the payment of dividends. The Company's most recently adopted balance sheet forms the basis for the amount available for payment of dividends. Furthermore, dividends may only be paid if deemed justified taking into consideration the demands which are imposed by the nature, scope and risks associated with the operations as well as the need to strengthen the balance sheet, liquidity and financial position in general.

Normally, dividends are paid in cash per share but may also be made in forms other than cash payments. The shareholders are entitled to a pro rata share of the dividends. The payment of dividends is managed by Euroclear. Should a shareholder not be able to get paid by distribution of Euroclear, the shareholder will have a claim for payment of the same amount against the Company. Such claim is subject to statutory limitation of ten years after which the dividend amount is forfeited to the Company.

There are no restrictions regarding dividend rights of shareholders domiciled outside of Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments to such shareholders are made in the same manner as for shareholders in Sweden. For information on taxes on the payment of dividends, please refer to section “*Tax considerations in Sweden*”.

#### **DIVIDEND POLICY**

Green Landscaping's goal is to distribute approximately 40 percent of net profits as dividends. The dividend proposal shall take Green Landscaping's long term development potential, financial position and investment needs into account. It has not been resolved on any dividends to the shareholders of the Company during the period of time covered by the historical financial information.

#### **APPLICATION FOR LISTING ON NASDAQ FIRST NORTH**

The Company's board of directors has applied for listing of the Company's shares on Nasdaq First North under the ticker symbol GREEN and with the ISIN code SE0010985028. Provided that the listing is granted, trading is Company's share is expected to commence on 23 March 2018.



# BOARD OF DIRECTORS, SENIOR MANAGEMENT AND AUDITORS

*This section contains selected information regarding the board of directors, senior management and auditors. As far as the board of directors is aware, there have been no arrangements or understandings with major shareholders, customers, suppliers or others pursuant to which a board member, member of the senior management or auditor have been appointed or elected other than as disclosed in this section.*

## BOARD OF DIRECTORS

The board of directors is situated in Stockholm. According to Green Landscaping's articles of association, the board of directors shall consist of at least three (3) and not more than ten (10) ordinary members without deputy members. Currently, the board of directors consists of five (5) ordinary members, elected until the end of the next ordinary general meeting. The table below sets forth the board members, their

position, the year they were appointed and their independence in relation to Green Landscaping, senior management and major shareholders as of the day of the Prospectus. Major shareholders are defined in accordance with the Swedish Code of Corporate Governance such as shareholders who directly or indirectly control ten percent or more of the shares or votes in the Company.

Name	Position	Member since	Independent in relation to:	
			The Company and senior management	Major shareholders as of today
Per Sjöstrand	Chairman of the board	2012	Yes	Yes
Curt Germundsson	Board member	2012	Yes	Yes
Åsa Källenius	Board member	2018	Yes	Yes
Monica Trolle	Board member	2018	Yes	Yes
Andreas Bruzelius	Board member	2014	Yes	No

Below is further information on the board members' age, position, current assignments, prior assignments during the past five years, other relevant experience, independence and ownership of shares and related instruments in Green Landscaping. Assignments in subsidiaries within the Group have been excluded. Holdings may change as a result of the

settlement of the current preference share structure and outstanding convertible bonds (refer to section "Share capital and ownership structure" under "Settlement of outstanding preference shares and convertible bonds" and "Ownership structure prior to and following the Offering").



**PER SJÖSTRAND**

*(Chairman of the board)*

Born: 1958.

Position: Chairman of the board in the Company since 2012.

**Other current assignments:** Chairman of the board in Rörgruppen AB, P o B:s Elektriska Aktiefbolag, Ohmegi Elektro AB, Rodens Värme & Sanitet AB, J.N. Elinstallatörer Aktiefbolag, Klimatrör i Stockholm Aktiefbolag, VVS-METODER Stockholm AB, VallaCom AB, Elkontakt i Borås AB, LG Contracting AB, Tunabygdens VVS-Installatör AB, DALAB Sverige AB, Trä och Inredningsmontage Kylteknik i Bandhagen AB, BI-Vent AB, Elkontakt i Göteborg AB, Kullastrand Kök & Interiör AB, ORAB Entreprenad AB, Voltage AB, OTK Klimat Installationer AB, Instalco Holding AB, Ohmslag AB and Instalco Sverige AB.

Also board member in AB Expertkyl HH, Markona Maskin AB, Aktiefbolaget Rörläggaren and Inkon Sverige AB as well as deputy member in Installationsföretagen Service i Sverige AB, Tofta Plåt & Ventilation Aktiefbolag, Ventilationsförbättringar i Malmö Aktiefbolag, Elexpressen i Lund Aktiefbolag and Elpågarna i Malmö Aktiefbolag. Also external CEO in Instalco Intressenter AB.

**Prior assignments (last five years):** : Chairman of the board in i Arkösunds Hotell AB (until January 2016), Sista versen 21222 AB (until February 2016), Dahlqvist Klimatteknik AB (dissolved by merger in August 2015), Slutplattan EZPIR 99171 AB (until October 2016), Västra Värmlands Rörinstallationer AB (until January 2017), Ehlslag AB (until January 2015), chairman of the board in LG Contracting i Örebro AB (dissolved by merger in April 2016), DALAB VVS INSTALLATION AB (dissolved by merger in June 2017), Hedemora Rör AB (dissolved by merger in May 2017), Hansson & Jakobsson Storkök Aktiefbolag (dissolved by merger in April 2016). Per has also been board member in Kanenas 16 AB (until november 2017) and chairman of the bord in Aktiefbolaget Rörläggaren, Tofta Plåt & Ventilation Aktiefbolag, Ventilationsförbättringar i Malmö Aktiefbolag, Elexpressen i Lund Aktiefbolag, AB Expertkyl HH and Elpågarna i Malmö Aktiefbolag (until June 2017).

**Other experience:** Per has 20 years of experience as CEO in companies such as PEAB Nord, Midroc Electro and NEA and is currently CEO in Instalco Intressenter AB wich is listed in Nasdaq Stockholm. Per has also worked as director at Stora Projekt at the Swedish Transport Administration. M.Sc. in civil engineering at Chalmers University of Technology in Gothenburg.

**Independent of Green Landscaping and the senior management:** Yes.

**Independent of major shareholders (as of today):** Yes

**Holdings in Green Landscaping:** Per hold totally 1,537,800 shares, (of which 1,354,350 are ordinary shares and 219,450 are preference shares series B) through his wholly owned company Voltage AB. After the settlement of outstanding preference shares, Per will instead hold totally 1,518,886 ordinary shares.<sup>1)</sup>



**CURT GERMUNDSSON**

*(Board member)*

Born: 1944.

Position: Member of the board since 2012.

**Other current assignments:** Board member in Österlen Management Consulting AB, Skamol A/S and Troax Group AB (publ) as well as deputy member in Bonums Bostadsrättsförening Anemonen i Dalby.

**Prior assignments (last five years):** Chairman of the board in Plastal Holding AB (until May 2015) and in DevPort AB (until May 2016) and also board member in Bandak A/S (until 2014) and EFD ASA, MTH A/S och Monberg & Thorsen A/S (until 2015). Also board member in DevPort AB (until October 2017).

**Other experience:** Previously vice president in Volvo Car Corporation. Mechanical engineer.

**Independent of Green Landscaping and the senior management:** Yes.

**Independent of major shareholders (as of today):** Yes.

**Holdings in Green Landscaping:** Curt holds totally 95,100 shares (of which 19,050 are ordinary shares and 76,050 are preference shares series C.) After the settlement of outstanding preference shares, Curt will instead hold totally 78,265 ordinary shares.<sup>1)</sup>



**ÅSA KÄLLENIS**

*(Board member)*

Born: 1967

Position: Member of the board since February 2018.

**Other current assignments:** CFO and IT-manager at Mekonomen AB and also CEO and CFO at Källenius Invest AB. Board member in Mekonomen Grossist Aktiefbolag, MECA Scandinavia AB and Mekonomen Group AB. Deputy member in Mekonomen Detaljist Aktiefbolag, Källenius Invest AB, KAAX Investment AB and KAAX Fastigheter AB.

1) For more information regarding the settlement of outstanding preference shares, please refer to "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible bonds".

**Prior assignments (last five years):** CFO at Tele2 Sweden AB (until 2016). Chairman of the board in Interloop GSM AB, Swefour GSM AB and Svenska UMTS-nät Holding AB (until May 2016). Board member in Datamatrix AB and Datamatrix Integration AB (dissolved by merger in September 2015), in MTG Radio Megahertz AB (until March 2016), Spring Mobil Aktiebolag (until April 2016) N4M Service AB (until May 2016), and Spring Mobil GSM AB (until June 2016). Deputy member in 4T Sverige AB (until May 2015) and Svenska UMTS-nät AB (until April 2016).

**Other experience:** Åsa has long experience as CFO from different companies, industries and owner constellations. experience. Åsa holds a MBA from Stockholm University. Also undergone Executive Management Program, Stockholm School of Economics, Novare Management Program and Michael Berglund Board Value. Mentor on Amazing Women, Novare and Womenator.

**Independent of Green Landscaping and the senior management:** Yes.

**Independent of major shareholders (as of today):** Yes.

**Holdings in Green Landscaping:** Åsa holds totally 31,350 shares (of which 8,850 are ordinary shares and 22,500 are preference shares series B). After the settlement of outstanding preference shares, Åsa will instead hold totally 28,472 ordinary shares.<sup>1)</sup>



### MONICA TROLLE

(Board member)

**Born:** 1965

**Position:** Member of the board since 2018.

**Other current assignments:** Manager FM & Workplace Management at AB Tetra Pak.

**Prior assignments (last five years):** Regional manager at Resources Global Professionals AB (until 2015).

**Other experience:** Monica has many years of experience in Facility Management in senior positions in companies such as WM-data / CGI and Tetra Pak, as consultant at RGP and board assignments for IFMA. In addition, she acts as CFO and Administration manager in EF, Sydkraft and WM-data and as regional director of RGP. Monica has also undergone the Executive Leadership Program at Stockholm School of Economics and studies in Business administration at Lund University.

**Independent of Green Landscaping and the senior management:** Yes.

**Independent of major shareholders (as of today):** Yes.

**Holdings in Green Landscaping:** Monica holds totally 31,350 shares (of which 8,850 are ordinary shares and 22,500 are preference shares series B). After the settlement of outstanding preference shares, Monica will instead hold totally 28,472 ordinary shares.<sup>1)</sup>



### ANDREAS BRUZELIUS

(Board member)

**Born:** 1979.

**Position:** Member of the board since 2014, before then deputy member since 2009.

**Other current assignments:** Board member in Skyrock Capital Sweden AB and Skyrock Capital Sweden II AB.

**Prior assignments (last five years):** Board member in Instalco Intressenter AB (until July 2015), Instalco Holding AB and Instalco Sverige AB (until July 2017) and in Velcora Holding AB (until October 2017). Also CEO in Velcora Holding AB (until September 2015).

Deputy member in Sista Versen 21222 AB (until February 2016), in Slutplattan EZPIR 99171 AB (until October 2016) and in BI-Vent AB, Trä och Inredningsmontage Kylteknik i Bandhagen AB, DALAB Sverige AB, LG Contracting AB, Tunabygdens VVS-Installatör AB, AB Expertkyl, VallaCom AB, Elpågåarna i Malmö Aktiebolag, VVS-METODER Stockholm AB, Klimatrör i Stockholm Aktiebolag, Elexpressen i Lund Aktiebolag, J.N. Elinstallatörer Aktiebolag, Ventilationsförbättringar i Malmö Aktiebolag, Tofta Plåt & Ventilation Aktiebolag, Ohmegi Elektro AB, P o B:s Elektriska Aktiebolag, Aktiebolaget Rörläggaren, Rörgruppen AB, OTK Klimat Installationer AB and ORAB Entreprenad AB (until June 2017), Dahlqvist Klimatteknik AB (dissolved by merger in August 2015), Hansson & Jakobsson Storkök Aktiebolag (dissolved by merger in April 2016), LG Contracting i Örebro AB (dissolved by merger in April 2016), Hedemora Rör AB (dissolved by merger in May 2017) and DALAB VVS INSTALLATION AB (dissolved by merger in June 2017).

**Other experience:** Andreas is employed by FSN Capital Partners AB (investment advisor to the Principal Shareholder) and has long experience from corporate development and the financial sector. Previously engaged at Carnegie Investment Bank in Stockholm and at the M&A advisory team of Deutsche Bank in London. M.Sc. in Economics and Business Administration at Stockholm School of Economics and exchange studies at Stephen M Ross School of Business, University of Michigan.

**Independent of Green Landscaping and the senior management:** Yes.

**Independent of major shareholders (as of today):** No.

**Holdings in Green Landscaping:** -

1) For more information regarding the settlement of outstanding preference shares, please refer to "Share capital and ownership structure" – "Settlement of outstanding preference shares ad convertibles".

## SENIOR MANAGEMENT

Below is further information on the senior managements' age, position, current assignments, prior assignments during the past five years, other relevant experience and ownership of shares and related instruments in Green Landscaping. Assignments in subsidiaries within the Group have been excluded. Holdings may change as a result of the settlement of the outstanding preference shares and convertible bonds (for more information, please refer to section "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible bonds" and "Ownership structure prior to and following the Offering").



### JOHAN NORDSTRÖM

(CEO)

Born: 1965.

Position: CEO since 2015.

**Other current assignments:** Board member in Johan Nordstrom Invest AB and CapNorth AB. Board member as well as CEO in Whitestoke AB.

**Prior assignments (last five years):** Chairman of the board and CEO in Car-O-Liner Production AB and Car-O-Liner Group AB (until April 2014), board member in Alignment Systems International AB (until May 2014), board member in Car-O-Liner Commercial AB and Truck Tech China AB (until 2014) and also board member and CEO in Car-O-Liner AB (until April 2014). Also CEO and board member in Car-O-Liner Property AB (until April 2014) and external CEO in Car-O-Liner Holding AB (until May 2014).

**Other experience:** Economy studies at University of Lund and University of Gothenburg, MBA from Copenhagen Business School.

**Holdings in Green Landscaping:** Johan holds totally 2,480,250 shares (of which 1,720,800 are ordinary shares, 360,450 are preference shares series B, 24,000 preference shares series C, 228,150 preference shares series D, 3,000 preference shares series E, and 143,850 preference shares series F) and 6,908 convertible bonds series 2015:2021 through his wholly owned companies CapNorth AB and Johan Nordstrom Invest AB. After the settlement of outstanding preference shares and convertible bonds, Johan will instead hold 2,677,502 ordinary shares <sup>1)</sup> Johan has also applied for subscription of approximately 714,285 shares in the Offering and at least 334,544 warrants in the incentive program that is to be resolved around 22 March 2018.



### CARL-FREDRIK MEIJER

(CFO)

Born: 1980.

Position: CFO.

**Other current assignments:** Deputy member in Altrax AB, TargetOne AB and Sourcing Advisory Group AB.

**Prior assignments (last five years):** –

**Other experience:** Carl-Fredrik has approximately 13 years of experience in positions in strategy and business development, both in Sweden and abroad. Carl-Fredrik has for instance worked at PwC and Coor Service Management. Carl-Fredrik holds a BA in Corporate Finance from Lund University and an MSc in Technology Management from Lund University.

**Holdings in Green Landscaping:** Carl-Fredrik holds totally 263,400 shares personally and through his wholly owned company Visionsbolaget 2715 AB (name being changed to Långvik Invest AB) (of which 128,250 are ordinary shares, 30,300 preference shares series D and 104,850 preference shares series E). After the settlement of outstanding preference shares, Carl-Fredrik will instead hold (in person and through the company) a total of 204,349 ordinary shares. <sup>1)</sup> Carl-Fredrik has also undertaken to acquire a total of 38,000 shares in the Offering and applied for subscription of at least 133,817 warrants in the incentive program which will be resolved around 22 March 2018.



### PIERRE KUBALSKI

(COO)

Born: 1971.

Position: COO from March 2015.

**Other current assignments:** Chairman of the board in Kviksunds SK, board member in Kubalski Management AB and also deputy member in Bahtröhs Enterprises AB.

**Prior assignments (last five years):** CEO and member of the board in IMO Aktiebolag (until January 2015) and also Chariman in Västberga Företagarförening (until 2015).

1) For more information regarding the settlement of outstanding preference shares, please refer to "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertibles".

**Other experience:** Pierre has approximately 17 years of senior management experience in purchasing, logistics, production and business development at various industrial companies. Pierre has also documented experience of implementing the Lean-koncept in various organisations. Pierre has a bachelor's degree in business administration from Dalarna University.

**Holdings in Green Landscaping:** Pierre holds per the day of the Prospectus totally 246,450 shares (of which 94,350 are ordinary shares and 152,100 are preference shares series D). Following the settlement of outstanding preference shares, Pierre will hold a total of 198,112 ordinary shares <sup>1)</sup>Pierre has also applied for subscription of at least 51,949 warrants in the incentive program that is resolved around 22 March 2018.



#### **JAKOB KÖRNER**

*(Purchasing manager)*

**Born:** 1976

**Position:** Purchasing manager since 2015.

**Other current assignments:** –

**Prior assignments (last five years):** Board member in Bostadsrättsföreningen Lövdalen 1 (until September 2017).

**Other experience:** Jakob has over ten years of experience from work on infrastructure issues, including business controller and marketing manager at Vägverket Produktion and work manager at Svevia. Jakob has worked at Green Landscaping since 2012 and was former business area manager in road and street management and COO. Jakob holds a bachelor's degree in business administration from Lund University, and is a graduate of civil engineering

**Holdings in Green Landscaping:** Jakob holds totally 283,500 shares (of which 111,750 are ordinary shares and 35,400 preference shares series B, 121,650 preference shares series D and 14,700 preference shares series E.) After the settlement of outstanding preference shares, Jakob will instead hold a total of 229,052 ordinary shares. <sup>1)</sup>Jakob has also applied for subscription of at least 51,949 warrants in the incentive program to be resolved around 22 March 2018.



#### **SHARON LIND**

*(Communication Manager & Sustainability Counselor)*

**Born:** 1980

**Position:** Communications Manager since 2014 and Sustainability Coordinator since 2017.

**Other current assignments:** Deputy member in Rubberpiggy Holding AB.

**Prior assignments (last five years):** –

**Other Experience:** Sharon has over ten years of experience in communications positions and has experience of internal and external communication. Sharon has studied communication and public relations at Bergh's School of Communication and Business Administration at Uppsala University and also holds a Master's degree in Biology from Stockholm University.

**Holdings in Green Landscaping:** Sharon does not hold any shares or other securities in the Company.

#### **AUDITORS**

Pursuant to Green Landscaping's articles of association, the Company shall have at least one (1) and no more than two (2) auditors with no more than two (2) deputy auditors. Auditor and any deputy auditor should be an authorised auditor or a registered audit firm. The current auditor of the Company is Ernst & Young Aktiebolag. Auditor in charge is Alexander Hagberg, authorised auditor and member of FAR (professional institute for auditing consultants, auditors and advisors in Sweden). The same auditor has been the Company's auditor during the financial years covered by the historical financial information in the Prospectus and the auditor has not resigned, been allocated or not re-elected during the period. The Company's chief accountant, Alexander Hagberg, has also been the chief accountant in the financial years covered by the historical financial information in the Prospectus. The auditor does not hold any shares or related instruments in Green Landscaping.

1) For more information regarding the settlement of outstanding preference shares, please refer to "Share capital and ownership structure" – "Settlement of outstanding preference shares and convertible bonds".

### OTHER INFORMATION REGARDING THE BOARD MEMBERS AND SENIOR MANAGEMENT

All board members and the senior management are available through the Company's head office at Klarabergsviadukten 70, 111 64 Stockholm. There are no family ties between board members or senior management in the Company. No board member or member of senior management has been sentenced in any fraud-related case over the last five years. No board member or member of senior management have been involved in any bankruptcy, bankruptcy or liquidation (other than voluntary liquidation) in the past five years as a member of management, management or supervisory bodies or other senior management.

No accusation and / or sanction has been issued by law or regulation authorising authorities (including approved professional associations) against any board member or member of senior management in the past five years. No board member or member of senior management have been banned by court during the past five years as a member of a company's management, management or control body or from having a leading or overall function at a company.

As stated above, some board members and members of senior management have private interests in the Company through their shareholdings. In addition, Andreas Bruzelius is employed by FSN Capital Partners AB (Investment Advisor to the Principal Shareholder). Board members and members of the senior management of the Company may be board

members or managers of other companies and hold shares in other companies, and in case such company includes business relationships with the Company, board members or senior management in the Company may have a conflict of interest which is handled by the person concerned is not involved in handling the case on behalf of the Company. Besides what is stated, no board member or senior management have any private interests that may conflict with the Company's interests.

### REMUNERATION TO BOARD MEMBERS, SENIOR MANAGEMENT AND AUDITORS AND TERMS OF EMPLOYMENT FOR SENIOR MANAGEMENT

Remuneration to the board of directors is decided by the annual general meeting. At the annual general meeting held on 21 June 2017, it was resolved to remunerate the chairman SEK 250,000 and other board members SEK 125,000. Due to his role as an employee of FSN Capital Partners AB (Investment Advisor to FSN Capital III) Andreas Bruzelius has waived his right to board remuneration.

The table below describes the remuneration to the board members for 2017, including any contingent or deferred compensation, and any benefits received by Green Landscaping for services rendered to Green Landscaping, regardless of who or in what capacity the services have been performed. All amounts are expressed in SEK.

#### Remuneration for board members 2017, SEK

Name	Remuneration	Salary	Variable remuneration	Pension	Other benefits	Total
Per Sjöstrand (Chairman)	360,000 <sup>1)</sup>	–	–	–	–	360,000 <sup>1)</sup>
Andreas Bruzelius	–	–	–	–	–	–
Curt Germundsson <sup>1)</sup>	145,450 <sup>1)</sup>	–	–	–	–	145,450 <sup>1)</sup>
Åsa Källenius <sup>2)</sup>	–	–	–	–	–	–
Monica Trolle <sup>2)</sup>	–	–	–	–	–	–
<b>Total</b>	<b>505,450</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>505,450</b>

1) Total invoiced amount.

2) Were appointed as board members on extraordinary general meeting on 7 February 2018.

The Company's senior management consists of CEO Johan Nordström, CFO Carl-Fredrik Meijer, COO Pierre Kubalski, Purchasing Manager Jakob Körner and Communication Manager & Sustainability Counselor Sharon Lind. The Company's CEO is employed by the Company and other members of the senior management are employed by Green Landscaping AB. Remuneration to members of the senior management who are employed with the Company may consist of salary, variable remuneration, pension and other benefits. Basic salaries and other employee benefits to senior executives are deemed to be in accordance with the market and are based on competence requirements, importance and experience as well as performance. All senior executives are covered by individual bonus programs. For the CEO, a notice period of

12 months apply upon termination by the Company and six months upon termination by the CEO. A six month mutual notice period applies for the CFO. The notice periods for other senior managers are individual and governed by each respective employment contract. Green Landscaping pays monthly pension premium in occupational pension insurance. The CEO's employment agreement contains specific non-disclosure and competition prohibitions.

The tables below describe the remuneration of senior managers for 2017, including any conditional or postponed compensation, and any benefits granted by Green Landscaping for services rendered to Green Landscaping, regardless of who or in what capacity the services have been performed. All amounts are expressed in SEK.

#### Remuneration for senior management 2017, SEK

Name	Remuneration	Variable remuneration	Pension	Other benefits	Total
Johan Nordström (CEO)	1,967,724	577,500	582,840		3,128,064
Other senior management <sup>1)</sup>	3,019,805	165,000	655,233	145,983 <sup>2)</sup>	3,986,021
<b>Total</b>	<b>4,987,529</b>	<b>742,500</b>	<b>1,238,073</b>	<b>145,983</b>	<b>7,114,085</b>

1) Refers to CFO, COO, Communications Manager and Sustainability Coordinator and Purchasing Manager (4 persons).

2) Refers to car benefits, food benefits and health insurance.

Remuneration to the auditor during the financial year 2017 amounted to SEK 784,000, all related to audit services. Remuneration to the Company's auditor is paid on a continuous basis.

#### Guidelines regarding remuneration to senior management

At the extraordinary general meeting held on 11 March 2018, it was resolved to adopt guidelines for remuneration to the CEO and senior management in the Group. The basic principle is that remuneration and other terms of employment must be marketable and competitive in order to ensure that the Group can attract and retain competent senior management to the Company at reasonable costs. Compensation may consist of fixed remuneration, variable remuneration, pension and other benefits. Variable remuneration shall be paid in cash and be based on the outcome in relation to goals within the individual area of responsibility (group or business area) and coincide with the interests of the shareholders. Variable remuneration shall correspond to a maximum of 50 percent of the fixed annual salary for the CEO and a maximum of 35 percent of the fixed annual salary for other members of the Group management. Pension benefits shall be defined by fee with individual retirement age from no later than 60 years. Other benefits, for example occupational car, extra health insurance or occupational healthcare shall be of limited value in relation to other remuneration and may be expended to the extent that this is deemed to be marketable for senior executives in corresponding positions on the labor market in where the member of senior management is active.

In case of termination by the Company, the notice period for all senior executives shall be no more than 12 months with entitlement to severance pay after the notice period, corresponding to a maximum of 100 percent of the fixed salary for a maximum of 12 months. Fixed salary during the termination period and severance pay for senior executives in total shall thus not exceed fixed monthly wages. Any entitlement to severance pay shall generally be reduced in situations where remuneration is obtained from another employer during the period. In case of termination from the side of the member of senior management, the notice period shall normally be 12 months for the CEO and 3–6 months for other members of senior management.

#### AGREEMENT REGARDING REMUNERATION AFTER TERMINATION OF ASSIGNMENT

The Company provides remuneration after termination of employment only through defined pension plans, which means that the Company pays fixed fees to other legal persons regarding multiple insurances for individual employees. The Company has no obligation to pay any fees in addition to the established fees that are recognised as an expense during the period in which the relevant service is performed.

Except for what is mentioned above in this section, the Group has not entered into any agreement with a member of the administrative, management or control body which entitles such member to retirement or similar benefits after termination of employment. The Group has no assigned or accrued amounts for pensions or similar benefits after termination of employment or assignments.

# CORPORATE GOVERNANCE

## LEGISLATION AND ARTICLES OF ASSOCIATION

The Company is a Swedish public limited liability company and is governed by Swedish legislation, mainly the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*). After the listing of the Company's shares on Nasdaq First North, the Company will also apply the Nasdaq First North Rulebook. In addition to legislation and the Nasdaq First North Rulebook, the Company's articles of association and its internal guidelines for corporate governance form the basis for the Company's corporate governance. The articles of association contain e.g. the registered office of the board of directors, the object of the Company's business, the limits for the share capital and number of shares and the conditions for participation at general meetings. The most recently adopted articles of association are included in the Prospectus in their entirety; please refer to section "Articles of association" below.

## THE SWEDISH CODE OF CORPORATE GOVERNANCE

Green Landscaping intends to comply with the Swedish Code of Corporate Governance (the "Code") after the listing on Nasdaq First North. The Code specifies a higher standard for good corporate governance than the minimum requirements of the Swedish Companies Act and must be applied to companies whose shares are admitted to trading on a regulated market in Sweden. Nasdaq First North is not a regulated market, but the Company voluntarily commits to apply the Code. Companies do not have to comply with all rules in the Code but have the option to choose alternative solutions that they consider fit better for their particular circumstances, provided that any deviations from the Code are accounted for in accordance with the principle "follow or explain". The Company intends to comply with the Code in all respects, except that the Company does not intend to submit a corporate governance report in connection with the annual general meeting 2018.

## GENERAL MEETINGS

The shareholders' influence in the Company is exercised at general meetings, which, in accordance with the Swedish Companies Act, is the Company's highest decision-making body. As the Company's highest decision-making body, the general meeting may resolve upon every matter for the Company, not specifically reserved for another corporate body's exclusive competence. Thus, the general meeting has a sovereign role in relation to the Company's board of directors and CEO.

At ordinary (annual) general meetings, which according to the Swedish Companies Act shall be held within six months from the end of each financial year, resolutions must be passed on adoption of the profit and loss account and balance sheet, allocation of the Company's profit or loss,

discharge from liability for the board of directors and the CEO, elections of members of the board of directors and auditor and on remuneration for the board of directors and the auditor. At general meetings, the shareholders also resolve on other key matters in the Company, such as amending of the articles of association, any issue of new shares etc. If the board of directors considers there is reason to hold a general meeting before the next ordinary general meeting, or if an auditor of the Company or owners of at least one-tenth of all shares in the Company so demand in writing, the board of directors must issue a notice to convene an extraordinary general meeting.

Notice to attend a general meeting shall, in accordance with the Company's articles of association, be made by announcement in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and by making the notice available on the Company's website ([www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se)). At the same time as notice is made, it shall be announced in Dagens industri that a notice has been made. Notice of a general meeting must be issued no earlier than six weeks and no later than four weeks before the meeting. Notice of an extraordinary general meeting where question regarding change to the articles of association is to be dealt with must be issued no earlier than six weeks and no later than four weeks before the meeting, while notice to any other extraordinary general meeting must be issued no earlier than six weeks and no later than three weeks before the meeting.

To attend and vote at general meetings, either in person or through a proxy, shareholders must be registered in the Company's share register, kept by Euroclear, five weekdays prior to the general meeting (i.e. on the record date) and notify the Company of their intention to attend the general meeting no later than on the date specified in the notice of the meeting. A shareholder may be accompanied by assistants at general meetings upon notification. Each shareholder of the Company submitting a matter with sufficient foresight has the right to have the matter addressed at the general meeting.

To be able to determine who is entitled to participate and vote at general meetings, Euroclear shall, upon the request of the Company, supply the Company with a list of all holders of shares on the record date in connection with each general meeting. Shareholders who have their shares nominee-registered need to instruct the nominee to register the shares temporarily in the name of the shareholder in order to be entitled to attend and vote for their shares at general meetings (voting rights registration). Such registration must be completed no later than on the applicable record date and ceases to be in force once the record date has passed. Shareholders who have their shares directly registered on an account in the Euroclear system will automatically be included in the list of shareholders.

Notices, minutes and communiqués from general meetings will be made available on the Company's website.

## NOMINATION COMMITTEE

Provisions regarding the establishment of a nomination committee are found in the Code. The Nomination Committee is a body of the general meeting, with the sole task of preparing the general meeting's decisions in election and remuneration matters and, when appropriate, procedural questions for the next nomination committee.

At an extraordinary general meeting on 11 March 2018 it was decided to adopt an instruction for the appointment of a nomination committee until otherwise is resolved by the general meeting. According to the instructions, the nomination committee shall, as a rule, consist of the chairman of the board and three members appointed by the three largest shareholders, by number of votes, in the Company. If any of these shareholders choose to waive their right to appoint a member, the right to appoint a member will go to the fourth largest shareholder, and so on. The name of the nomination committee members and the name of the shareholders who have appointed the members shall be published no later than six months before the annual general meeting.

The nomination committee elects a chairman for the committee. The chairman of the board shall not be the chairman of the nomination committee. If a member leaves the Nomination Committee before its task is completed and the Nomination Committee considers it there is a need to replace the member, a substitute shall be appointed by the same shareholder who appointed the resigning member. If the shareholder that appointed the resigning member no longer holds the qualifying number of votes, the right to nominate a new member shall pass on to the next shareholder that does.

If a shareholder that nominated a certain member have substantially reduced their holdings in the Company and the nomination committee does not consider it inappropriate in the light of the need for continuity for the forthcoming annual general meeting, the member shall resign from the nomination committee. The nomination committee shall then offer the largest shareholder, in number of votes, who has not appointed a member of the nomination committee to appoint a new member. The nomination committee's term of office extends until a new election committee has been appointed. In addition, the nomination committee shall have the composition and fulfill the requirements that at any time follow from The Code.

## BOARD OF DIRECTORS

After the general meeting, the board of directors is the Company's highest decision-making body. The board of directors is also the Company's executive body and the Company's representative. Further, the board of directors is, according to the Swedish Companies Act, responsible for the Company's organisation and the management of the Company's affairs and shall, on a continuous basis, assess the Company's and the Group's financial position and ensure that the Company's organisation is designed in a manner that ensures that the accounts, the management of funds and the Company's other financial conditions are controlled in a prudent manner. The chairman of the board of directors has a certain responsibility to lead the board of directors' work and to ensure that the board fulfils its statutory duties.

According to the Company's articles of association, the board of directors shall consist of at least three (3) and no more than ten (10) ordinary members without deputy members. Board members are elected at the annual general meeting until the end of the next annual general meeting. There is no limitation in time for a board member to be on the board of directors. Currently, the board of directors consists of five (5) ordinary members. Further information on the board members, including information regarding remuneration to the board of directors, can be found above under section "*Board of directors, senior management and auditors*".

The responsibilities of the board of directors include e.g. to set the Company's overall goals and strategies, oversee major investments, ensure that there is a satisfactory process for monitoring the Company's compliance with laws and other regulations relevant to the Company's operations, as well as the compliance with internal guidelines. The responsibilities of the board of directors also include ensuring that the Company's disclosure to the market and investors is transparent, correct, relevant and reliable as well as to appoint, evaluate and, if necessary, dismiss the Company's CEO.

The board of directors has, in accordance with the Swedish Companies Act, adopted written rules of procedure for its work, which shall be evaluated, updated and re-adopted annually. The board of directors meets regularly in accordance with a programme set out in the rules of procedure containing certain permanent items and certain items when necessary.

The board of directors may establish committees to prepare certain matters and may also delegate decision making to such a committee, but the board of directors cannot disclaim responsibility for decisions made on this basis. If the board of directors decides to set up committees, the rules of procedure for the board of directors shall specify the duties and decision making powers that the board of directors has delegated to the committees, as well as how the committees are to report to the board of directors.

The board has established an audit committee in accordance with the Swedish Companies Act and a remuneration committee in accordance with The Code. Further description of the committees' current compositions and tasks is presented below.

### Audit committee

The board of directors has established an audit committee consisting of three members: Per Sjöstrand, Andreas Bruzelius and Åsa Källenius. Per Sjöstrand is the chairman of the committee. The audit committee shall, without any impact on the other responsibilities and tasks of the board of directors, e.g. monitor the Company's financial reporting, monitor the efficiency of the Company's internal controls, internal audits (if such function is established in the future), and risk management, keep itself informed of the audit of the annual report and consolidated financial statements as well as the conclusions of the Supervisory Board of Public Accountant's (Sw. *Revisorsnämndens*) quality controls. The audit committee shall also review and monitor the impartiality and independence of the auditor and, in conjunction therewith, pay special attention to whether the auditor provides

the Company with services other than auditing services. To the extent this task is not given to the nomination committee, the audit committee shall also assist in conjunction with preparation of proposals to the general meeting's resolution regarding election of an auditor.

### Remuneration committee

The board of directors has established a remuneration committee consisting of three members: Per Sjöstrand, Andreas Bruzelius and Curt Germundsson. Per Sjöstrand is the chairman of the committee. The remuneration committee's main tasks are to (i) prepare the board of directors' decisions on matters regarding principles for remuneration, remunerations and other terms of employment for the executive management, (ii) monitor and evaluate programmes for variable remuneration, both ongoing and those that have ended during the year, for the executive management, and (iii) monitor and evaluate the application of the guidelines for remuneration of the board and executive management established by the annual general meeting, as well as the current remuneration structures and levels.

### CEO AND SENIOR MANAGEMENT

The Company's CEO is, in accordance with the provisions of the Swedish Companies Act, responsible for the day-to-day management of the Company in line with guidelines and instructions from the board of directors. Measures of an unusual nature or of great significance in view of the scope and nature of the Company's operations are not considered as "day-to-day management" and should therefore, as a main rule, be prepared and presented to the board of directors for its decision. The CEO must also take any measures necessary to ensure that the Company's accounts are maintained in accordance with applicable law and that asset management is conducted satisfactorily. The CEO is subordinated to the board of directors, and the board of directors itself may also decide on matters that are a part of the day-to-day management. The work and role of the CEO as well as the allocation of duties between, on the one hand, the board of directors and, on the other, the CEO is established by written instructions (a so called "instruction for the CEO") and the board of directors continuously evaluates the work of the CEO.

The Company's CEO is Johan Nordström. Further information regarding the CEO and other senior management, including information on remuneration to and employment terms for the CEO as well as to other senior management can be found under section "*Board of directors, senior management and auditors*" above.

### INTERNAL CONTROL

The Company has not established any specific function for internal control, but the task is fulfilled by the board of directors. Internal control includes control over the Company's organisation, procedures and actions. The purpose is to ensure that reliable and accurate financial reporting is done, that the Company's and the Group's financial reporting has been prepared in accordance with the law and applicable accounting standards and that other requirements are met. The internal control system also aims to monitor compliance with the Company's policies, guidelines and principles. In

addition, there is a surveillance of the protection of the Company's assets and the utilisation of the Company's resources in a cost-effective and appropriate way. In addition, internal control takes place through follow-up in information and business systems and through ongoing analysis of risks.

### AUDIT

Being a public company, the Company must have at least one auditor for the review of the Company's and the Group's annual reports and accounts as well as the management by its board of directors and CEO. The review must be as detailed and extensive as required by generally accepted auditing standards. The Company's auditor is, according to the Swedish Companies Act, appointed by the general meeting. Thus, auditors of Swedish limited liability companies are given their assignment by, and are obliged to report to, the general meeting, and must not allow their work to be governed or influenced by the board of directors or senior management. The auditor's reporting to the general meeting takes place at the annual general meeting through the auditor's report. The auditor's reports comprising the historical financial information does not deviate from the standard formulations and contains no remarks or equivalent.

According to Green Landscaping's articles of association, the Company shall have at least one (1) and no more than two (2) auditors with no more than two (2) deputy auditors. Auditor and any deputy auditor should be an authorised auditor or a registered audit firm. The current auditor of the Company is Ernst & Young Aktiebolag. Auditor in charge is Alexander Hagberg, authorised auditor and member of FAR (professional institute for auditing consultants, auditors and advisors in Sweden). The auditor hold no shares or related instruments in the Company. Further information about the auditor, including information on remuneration to the auditor, can be found under section "*Board of directors, senior management and auditors*" above.

### STOCK MARKET INFORMATION AND INSIDER RULES

In connection with the listing on Nasdaq First North, there are requirements on ensuring that all stakeholders on the stock market have simultaneous access to inside information concerning the Company and insider rules in order to prevent market abuse.

The Company's board of directors has e.g. adopted a communication and insider policy in order to ensure correct and good quality of the Company's information and handling of inside information both internally and externally. The chairman of the Company's board of directors handles overall ownership related issues, while the CEO holds the overall responsibility for the Company's external communication.

Policies and guidelines regarding disclosure of information and insider rules as well as updates and changes are made available and known to all relevant personnel and the company management goes through the regulatory framework with the employees. The Company's regulatory framework is drawn up according to Swedish law, Nasdaq First North Rulebook as well as the EU Market Abuse Regulation (MAR). All financial reports and press releases will henceforth be published on the Company's website ([www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se)) directly adjacent to the publication.

# LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

## INCORPORATION AND LEGAL FORM AS WELL AS OBJECT OF THE COMPANY'S BUSINESS

The Company is a Swedish public limited liability company incorporated on 12 November 2008 registered with the Swedish Companies Registration Office on 2 December 2008. The Company's corporate registration number is 556771-3465 and the board of directors has its registered office in Stockholm. The Company conducts its business under Swedish law. The Company's form of association is governed by the Swedish Companies Act. The Company's trade name is Green Landscaping.

According to the Company's articles of association (§ 3) the object of the Company's business is directly or indirectly

to, independently or through subsidiary companies, pursue land and real estate engineering operations, management and contract work and any other activities compatible therewith and to own and manage real estate and chattels. Please refer to the complete articles of association under section "Articles of association" for more information.

## GROUP STRUCTURE

The Company is the parent company of the Group which, as of the date of the Prospectus, consists of nine (9) directly and indirectly owned subsidiaries, all of which are Swedish private limited liability companies and one Norwegian branch as set out in the table below.

Company, corporate registration number, registered office <sup>1)</sup>	Number of shares / ownership interests	Holdings in %
Björntreprenad Aktiebolag, 556379-0723	1,000	100
<b>GML Sport AB, 556369-3372</b>	<b>1,000</b>	<b>100</b>
GML Sport Anläggning AB, 559092-8601	50,000	100
GML Sport Firm in Norway, NUF (branch)	–	–
Goldcup 16362 AB (name being changed to Green Landscaping Incentive AB), 559148-3242	50,000	100
Green Landscaping AB, 556773-4800	100,000	100
Jacksons Trädvård AB, 556591-9858	1,000	100
J E Eriksson Mark & Anläggningsteknik AB, 556558-6079	1,750	100
Tranemo Trädgårdstjänst Aktiebolag, 556177-8472	4,000	100
Svensk Jordelit Aktiebolag, 556207-6660	1,000	100

1) Subsidiaries marked in bold have, in turn, subsidiaries that have been sorted directly under their respective subsidiaries and with indentation.

## SIGNIFICANT AGREEMENTS

Below is a summary of the material agreements entered into by the Group during the past two years, as well as other agreements entered into by the Group containing rights or obligations of material importance for the Group (apart from agreements entered into as part of the continuing operations). For information on financial agreements, please refer to section "Capital structure, indebtedness and other financial information". Please also refer to "Agreement regarding placing of shares" below.

### Acquisitions

Green Landscaping works on the basis of an active acquisition strategy and since the incorporation the Group has acquired eight operating units (but more companies, since some operational units consists of several companies). During the last two years, the Company has acquired the companies Tranemo Trädgårdstjänst Aktiebolag, Björntreprenad Aktiebolag, J E Eriksson Mark & Anläggningsteknik AB och Svensk Jordelit Aktiebolag. All four acquisitions were completed in 2017. The terms of the acquisitions made during 2017 are described in the summary below. For further information about the respective companies acquired and their activities, please refer to the section "Business description".

The acquisitions of 2017 has included 100 percent of the shares and votes in Swedish limited companies and has been carried out for cash payment, where the sellers reinvested some of the received purchase price for new shares in the Company. All four acquisitions have been made against a certain purchase price paid at the time of acquisition and with an earnout provision. The earnout in the acquisition of Tranemo Trädgårdstjänst Aktiebolag, Björntreprenad Aktiebolag and J E Eriksson Mark & Anläggningsteknik AB is profit-based, while the earnout for the acquisition of Svensk Jordelit Aktiebolag is based on both inventory value and profit. As a result of the agreed earnouts, outstanding commitments for all four acquired companies remain on the date of the Prospectus. For more information about potential payment of additional purchase price, please refer to section "Capital structure, indebtedness and other financial information" under "Other financial information" and "Agreement on earnouts in conjunction with acquisitions".

Prior to each acquisition, professional advisors have been hired for the conducting of a so-called due diligence with a review of both financial and legal conditions, including tax issues. The risks identified in the process have been taken into account by the Company in the commercial assessment and in relation to the negotiation of price and terms of each acquisition. The acquisition agreements also contain warranties and terms which may be regarded as customary in

agreements of the kind concerned, as well as time period and amount limitations on guarantees provided by sellers.

### CUSTOMER AND SUPPLIER AGREEMENTS

Green Landscaping operates in various business areas in several geographical regions, and customer and supplier agreements are entered into in the ongoing business. The Company's customers are mainly active in the public sector and comprise municipalities, state authorities and public property- and housing companies, but the Company also has a large proportion of private sector customers, such as private property- and housing companies and tenant-owner associations. The Company's income is spread over a large number of customer agreements and the Company does not consider itself dependent on any individual customer or supplier agreement.

For additional description, please refer to section "Business description".

### AGREEMENT REGARDING PLACING OF SHARES

Under the terms of an agreement on the placing of shares scheduled to be concluded around 22 March 2018 between the Company, the Principal Shareholder and Pareto Securities, the Principal Shareholder will undertake to divest the number of shares that is covered by the Offering (excluding the new issue of shares in the Offering) to the buyers designated by Pareto Securities, alternatively, if Pareto Securities fails to supply such buyers, Pareto Securities has undertaken to acquire the shares covered by the Offering, provided that the Offering is not cancelled beforehand (see below). Other Selling Shareholders have in advance submitted binding commitments to divest shares under the same conditions as the Principal Shareholder. Under the Placing Agreement, the Principal Shareholder will also undertake, at the request of Pareto Securities, to sell an additional 15 percent of the total number of shares covered by the Offering at full participation, in order to cover any over-allotment in the Offering.

Through the Placing agreement, the Company will disclose customary data, guarantees and commitments towards Pareto Securities, primarily regarding that the information contained in the Prospectus is accurate, that the Prospectus and the Offering meet requirements in laws and regulations and that there are no legal or other obstacles to the Company's conclusion of the agreement or in order for the Offering to be completed.

Under the Placing Agreement, Pareto Securities undertaking, to designate buyers or acquire the shares, is conditioned upon that the information and guarantees provided by the Company are accurate and that no events occur which are so materially negative impact on the Company that it is inappropriate to complete the Offer. Under such circumstances Pareto Securities may terminate the Placing Agreement until the settlement date and the Offering may in such case be terminated. In such case, no allotment nor payment of shares will be made in the Offering. According to the Placing Agreement, the Company undertakes, with customary reservations, to hold Pareto Securities harmless against certain claims.

Through the Placing Agreement, the Company will undertake not to (i) issue, offer, pledge, sell, undertake to sell or otherwise transfer or divest, directly or indirectly, any

shares in the Company or any other securities that may be converted or may be exercised or exchanged for such shares, or (ii) buy or sell options or other instruments or enter into swap agreements or other arrangements that wholly or partially transfer the financial risk associated with ownership in the Company to another party earlier than 180 days after the day trading begins at Nasdaq First North. These commitments are subject to customary reservations and exceptions such as issues under incentive programs. In addition, Pareto Securities may grant exemptions from the relevant commitments if deemed appropriate by Pareto Securities on a case-by-case basis.

For a description of the lock-up arrangements that will be concluded by the Principal Shareholder and other shareholders in connection with the Offering, see section "Share capital and ownership structure" – "Shareholder agreement and lock-up agreement".

### STABILISATION

In connection with the Offering and the listing on Nasdaq First North Pareto Securities may, in its role as stabilising agent, carry out transactions that stabilise, maintain or otherwise affect the price of the shares in order to keep the market price of the shares at levels above those which might otherwise prevail in the market. Such stabilisation transactions may be carried out on Nasdaq First North, the OTC market or otherwise, and may be carried out at any time during the period beginning on the first day of trading in the shares on Nasdaq First North and ending no later than 30 calendar days thereafter. However, Pareto Securities are under no obligation to carry out stabilisation of any kind, nor is there any guarantee that stabilisation will be carried out. Moreover, where carried out, stabilisation may be discontinued at any time without prior notice. Under no circumstances will transactions be carried out at a level higher than the Offering price. Within a week of the expiry of the stabilisation period, Pareto Securities will publish information on whether or not any stabilisation has been carried out, the date when stabilisation was carried out, the last date of stabilisation, as well as the price range within which stabilisation was carried out for each of the dates when stabilisation transactions were carried out.

### INTELLECTUAL PROPERTY RIGHTS

The Group has several registered domain names. Furthermore, the Group has a number of registered trademarks. The Group is however not dependent on any patents, licenses, trademarks or other registered intellectual property rights.

### INSURANCES

Green Landscaping has customary insurance coverage, including property insurance, interruptions insurance, liability insurance, vehicle insurance, liability insurance for board members and CEO, etc. Furthermore, the Company's subsidiary has insurance policies tailored to their respective activities.

It is the board's assessment that the current insurance coverage, including the level and terms and conditions of such insurance, gives an adequate level of protection with regard to insurance premiums and the potential risks of the business.

## LEGAL AND ARBITRATION PROCEEDINGS

The Company is not, nor has been, part of any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the previous twelve months that may have, or have had, a material effect on the Company's financial position or results.

The Group may become involved in disputes within the framework of its ongoing operations, but there is no known dispute as of today which could significantly affect the Company's financial position or results.

## TRANSACTIONS WITH RELATED PARTIES

Presented below are transactions with related parties, all of which have been conducted at marketable terms.

In 2010, the Company raised a bridge loan of a total of SEK 23 million from the Principal Shareholder FSN Capital III. The loan ran at an annual interest rate of eight percent that is capitalised. Most of the bridge loan has been settled through a new issue of shares against set-off, resolved upon on 4 August 2010, whereafter an amount of SEK 1.8 million remained. The remaining bridge loan amount of SEK 1.8 million plus accrued interest was repaid to the FSN Capital III on 31 January 2018. Total repayments, including accrued interest, amounted to SEK 3,241,868.

On November 23, 2017, the Company raised a loan of a total of SEK 8 million from the Principal Shareholder for temporary financing of the acquisition of Jordelit. The loan runs at an annual interest rate of 5 percent and has been fully repaid (SEK 5.66 million through set-off in exchange for convertible bonds issued on November 23, 2017 and SEK 2.34 million by cash repayment).

Several of the subsidiaries rent their facilities from companies owned and /or controlled by former owners of subsidiaries. The reason for this structure is that Green Landscaping has a policy not to own real estate, why real estate in which the business is conducted is not included in and, if necessary, divested before acquisition. The rental conditions are related transactions because previous owners of the relevant Group companies are now shareholders of the Company and employees of the Group. Rental agreements are described in detail below.

Björntreprenad rents a premises, including offices, warehouses and workshops of approximately 1,000 square meters from Brobäckens Fastighets AB, which is a company related to the Company. The rental period expires on July 7, 2020 with a notice period of nine months. If notice of termination does not occur, the agreement will be renewed by two years at a time. The basic rent amounts to SEK 1,100 thousand per year.

Jordelit rents an office space of approximately 140 + 110 square meters of Eblon Fastighets AB, which is a company related to the Company. The rental period expires on August 31, 2020 with a notice period of nine months. If notice of termination does not occur the agreement is extended for three years at a time. The basic rent amounts to SEK 300 thousand per year.

J E Mark has entered into a rental agreement for the property Veda 1: 3 with the landlord J E Mark & Fastigheter i Vallentuna AB for storage (approximately 5,000 square meters). The landlord is owned by a company related to the Company. The rental period expires on 31 May 2015 with a notice period of nine months. If notice of termination is not given, the agreement is extended by one year at a time. The basic rent amounts to SEK 75 thousand per year.

Tranemo rents three premises in Borås, Ulricehamn and Tranemo. The premises in Borås of approximately 1,767 square meters are rented from Vent 3 AB (owned by a company related to the Company). The premises are available for use as warehouses, offices and staff spaces. The agreement expires on 31 December 2018 and is extended by three years at a time unless it is terminated twelve months before the end of the rental period. The basic rent amounts to SEK 1,050 thousand per year. The premises in Ulricehamn about 270 square meters are leased by TJJ Fast AB (owned by a company related to the Company) for storage. The lease expires on 31 December 2018 and is renewed for three years at a time unless it is terminated twelve months before the end of the rental period.

The basic rent is 190,000 kronor per year. The premises in Tranemo is approximately 2,157 square meters and rented by Ömme AB (owned by a company related to the Company). The premises are available for use as warehouses, offices and staff spaces. The lease expires on December 31, 2018 and is extended by three years at a time unless it is terminated twelve months before the end of the rental period. The basic rent is SEK 350,000 per year. Rent costs amounted to SEK 0 for 2015, SEK 0 for 2016 and approximately SEK 1,631,483 for 2017.

There is an outstanding loan between the Company and its subsidiary Green Landscaping AB of approximately SEK 34 million. The debt has accumulated between 2010 and 2016 and varied over the years. Among other things, part of the debt arose for financing the acquisition of GML Sport. The loan runs without interest.

On 7 July 2017, the Company has borrowed a total of SEK 7.5 million from the shareholder Toppstjärnan AB as part of the consideration in conjunction with the acquisition of the subsidiary Björntreprenad, where Toppstjärnan AB was the sole seller. Toppstjärnan AB is partly owned by the CEO of Björntreprenad. The loan runs at an annual interest rate of eight (8) percent and expires at the earlier date of (i) December 31, 2020 and (ii) the occurrence of an exit.

In connection with the acquisition of J E Mark, reversals of unpaid profits have been issued from J E Mark to the sellers. The sellers are employed in the Group. The total amounted to approximately SEK 2.3 million and was repaid in its entirety in 2017.

The Company has outstanding obligations regarding earnouts to sellers of some of the Company's subsidiaries which are controlled by employees in the Group. The obligations are governed by the share transfer agreements concluded in connection with each acquisitions. Outstanding obligations for earnouts originate from the acquisitions of

Tranemo Trädgårdstjänst<sup>1)</sup>, Björnentreprenad<sup>2)</sup>, J E Mark<sup>3)</sup> and Jordelit<sup>4)</sup>. The obligations to pay earnouts in 2018 amounts to a maximum of SEK 4 million for the acquisition of Tranemo Trädgårdstjänst and SEK 11.5 million for the acquisition of Björnentreprenad. Obligation to pay earnouts in 2019 amounts to a maximum of SEK 8.5 million for the acquisition of J E Mark and SEK 16 million for the acquisition of Jordelit. As of the date of the Prospectus, no earnouts has been determined or paid as a result of completed acquisitions. According to the board's preliminary assessment, earnouts amounting to a maximum of SEK 15.5 million will be paid in 2018. After 31 December 2017, no acquisitions have been made with agreed earnouts.

Audited final accounts have been published until 31 December 2017. After the last period for which revised financial accounts have been published, no significant transactions with related parties have occurred in addition to the above described and the total amount of such related transactions amount to approximately SEK 907 thousand (rents to related companies).

Besides the transactions stated above, Green Landscaping has not been conducted any related party transactions of essential importance during the period covered by the financial information in the Prospectus and up until the day of the Prospectus.

#### ADVISORS

Pareto Securites provide financial advice and other services to Green Landscaping and the Principal Shareholder in conjunction with the Offering, in capacity of Global Coordinator and Sole Bookrunner. The total remuneration for the financial advisers is partly dependent on the outcome of the Offering. Pareto Securities have provided, and may in the future provide, various banking, financial, investment, commercial and other services to Green Landscaping and The Principal Shareholder for which they have received, and may receive, remuneration. Setterwalls Advokatbyrå AB acts as legal adviser to the Company in relation to the Offering and the admission to trading on Nasdaq Stockholm.

#### POSSIBLE CONFLICTS OF INTERESTS

None of the advisers own shares in the Company and have, except for previously agreed fees for their services, no other financial interests in the Company.

#### TRANSACTION COSTS

The Company's costs related to the Offering are expected to amount to approximately SEK 16 million. Such costs are mainly pertaining to costs for auditors, lawyers, the printing of the Prospectus, costs related to presentations, etc.

#### SHARE ACQUISITION COMMITMENTS

Commitments to acquire shares have been provided equivalent to 55 percent of the Offering, excluding the Over-allotment option. No compensation is paid to those who have provided acquisition commitments. The share acquisition commitments were entered into in March 2018. The commitments are not secured by any pledge, blocked funds or similar arrangement.

1) Against the seller Tranemo Förvaltning AB (controlled by Roger Carlsson).

2) Against the seller Toppstjärnan AB (controlled by Janne Pettersson and Jenny Pettersson).

3) Against the sellers Jan Eriksson, Hernesten Holding AB (controlled by Bertil Hernesten), Textilvägen Invest AB (controlled by Kjell Karlsson), LinnoKnut AB (controlled by Mats Malmgren), Batyskafen AB (controlled by Kristian Bergman), H J J Holding AB (controlled by Jonas Johansson), Helape Invest AB (controlled by Peter Eriksson) and Marjum Anläggning AB (controlled by Tommy Törnqvist).

4) Against the sellers Eblon Holding AB (controlled by Jan Johansson), Johan Milsta, Henrik Schüller, Peter Lindmark and Erik Svård.

#### DOCUMENTS INCORPORATED BY REFERENCE AND DOCUMENTS AVAILABLE FOR INSPECTION

The following information is incorporated by reference and constitute part of the Prospectus and shall be read as a part hereof. The parts of the following documents not referred to are either not relevant for an investor or reproduced elsewhere in the Prospectus.

- (i) The Group's financial information including notes and the auditor's report for the financial year 2014 (profit and loss account on page 5, balance sheet on pages 6–7, cash flow analysis on page 9, accounting principles and notes on pages 15–33 and auditors' report on page 35).
- (ii) The Group's financial information including notes and the auditor's report for the financial year 2015 (profit and loss account on page 5, balance sheet on pages 6–7, cash flow analysis on page 9, accounting principles and notes on pages 20–30 and auditors' report on page 32).
- (iii) The Group's financial information including notes and the auditor's report for the financial year 2016 (profit and loss account on page 5, balance sheet on pages 6–7, cash flow analysis on page 9, accounting principles and notes on pages 19–29 and auditors' report on page 30).
- (iv) The Group's financial information including notes and the auditor's report for the financial year 2017 (profit and loss account on page 8, balance sheet on pages 9–10, cash flow analysis on page 12, accounting principles and notes on pages 18–32 and auditors' report on pages 33–34).

Historical financial information incorporated by reference as above has been audited by the Company's auditor and the auditor's report is appended to each annual report. Documents incorporated by reference are available in electronic form at the Company's website ([www.greenlandscaping-group.se](http://www.greenlandscaping-group.se)) during the validity period of the Prospectus.

The below documents are available for inspection during the validity period of the Prospectus during normal business hours on weekdays at the Company's offices (Klarabergsviadukten 70, 111 64 Stockholm), as well as, except for the Company's subsidiaries' annual reports, in electronic form at the Company's website ([www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se)).

- (i) The Prospectus.
- (ii) The Company's articles of association.
- (iii) Documents incorporated by reference.
- (iv) The Company's subsidiaries' audited annual reports and consolidated financial statements for the years 2015–2017 (to applicable extent), including auditor's reports.
- (v) Other information published by the Company referred to in the Prospectus.

Except when expressly stated, no information in the Prospectus has been reviewed or audited by the Company's auditor.

# ARTICLES OF ASSOCIATION

The Articles of Association will be registered with the Swedish Companies Registration Office in connection with the Offering.<sup>1)</sup>

## 1 § Name

The company's name is Green Landscaping Holding AB (publ).

## 2 § Registered office

The company's registered office shall be situated in Stockholm.

## 3 § Object of the company's business

The object of the company's business is directly or indirectly to, independently or through subsidiary companies, pursue land and real estate engineering operations, management and contract work and any other activities compatible therewith and to own and manage real estate and chattels.

## 4 § Share capital

The share capital shall be not less than SEK 1,122,000 and no more than SEK 4,488,000. The number of shares shall be not less than 10,000,000 not more than 40,000,000.

## 5 § Financial year

The company's financial year shall be the calendar year.

## 6 § Board of directors

The board of directors elected by the shareholders' meeting shall consist of not less than three (3) members and not more than ten (10) members, without deputy members.

## 7 § Auditor

The company shall have not less than one (1) and not more than two (2) auditors and not more than two (2) deputy auditors. As auditor and, where applicable, deputy auditor, shall an authorised public accountant or a registered public accounting firm be elected.

## 8 § Notice of shareholders meeting

Notices of general meetings shall be made by announcement in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) and by making the notice available on the company's website. At the same time as notice is given it shall be announced in *Dagens Industri* that a notice has been made.

Shareholders wishing to participate in general meetings must be listed as shareholder in a printout or other presentation of the entire share register reflecting the circumstances five weekdays before the general meeting and notify the company no later than the date specified in the notice of the general meeting. The last mentioned date may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve

and may not occur earlier than the fifth weekday before the general meeting. A shareholder may be accompanied by advisors at a general meeting only if he or she notifies the company of the number of advisors in accordance with the procedure prescribed for in respect of notice of attendance to be made by a shareholder.

## 9 § Business at annual shareholders' meetings

The following business shall be addressed at annual shareholders' meetings:

1. election of a chairman of the meeting;
2. preparation and approval of the voting list;
3. approval of the agenda;
4. election of one or two persons who shall approve the minutes of the meeting;
5. determination of whether the meeting was duly convened;
6. submission of the annual report and the auditors' report and, where applicable, the consolidated financial statements and the auditors' report for the group;
7. resolutions regarding the adoption of the income statement and the balance sheet and, when applicable, the consolidated income statement and the consolidated balance sheet;
8. resolutions regarding allocation of the company's profits or losses in accordance with the adopted balance sheet;
9. resolutions regarding discharge of the members of the board of directors and, where applicable, the managing director from liability;
10. determination of the number of members, and deputy members, of the board of directors and, where applicable, the number of auditors and deputy auditors;
11. determination officers for members of the board of directors and auditors;
12. election of the members of the board of directors and, where applicable, auditors and deputy auditors;
13. other matters which are set out in the Swedish Companies Act or the company's articles of association.

## 10 § CSD clause

The shares of the company shall be registered in a CSD register in accordance with the Central Securities Depositories and Financial Instruments Accounts Act (*Sw. lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

1) The articles of association that is registered at the Swedish Companies Registration Office per the day of the Prospectus contains regulations regarding different classes of shares, share-holders' rights in conjunction with increases of share capital as well as entitlement to the Company's assets and profits as follows. Shares may be issued in nine classes, ordinary shares class A, and preference shares class B-Z. Each class of shares may also in itself be issued as a separate tranche, e.g. class Z: 1, Z: 2, Z: 3 etc. Shares of either class may be issued up to an amount corresponding to the entire share capital. In the event of new issues of shares (regardless of class) where payment is not to be made in kind, owners of shares shall enjoy pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots. In the event of new issues of shares of only class A- H where payment is not to be made in kind, all shareholders shall, irrespective of what class such the holder holds, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them. In the event of issues of warrants or convertible debentures where payment is not to be made in kind, owners of shares, regardless of class, enjoy pre-emption rights, in accordance with what is stated of shareholders above. The above shall not limit the right to resolve upon an issue with a deviation from the shareholders' pre-emption rights. In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In this connection, the owners of old shares of a certain class shall have pre-emption rights to new shares of the same class in proportion to their share of the share capital. This shall not restrict the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendment to the articles of association. Upon payment of dividends all funds shall be allocated in accordance with the following: Firstly, each share of class Z (preference shares with specific preferential rights to dividend) shall be entitled to all kinds of dividends up to a maximum amount, to be calculated as described below. Z-class shares shall not be entitled to further dividends when the total maximum amount per share has been distributed. Secondly, to the extent that funds remain after allocation to shares class Z as above, shares of class B-H shall, *pari passu*, be entitled to all kinds of dividends up to a maximum amount, to be calculated as described below. Shares of class B-H shall not be entitled to further dividends when the total maximum amount per share class has been distributed. Thirdly, A-class shares (ordinary shares) shall be entitled to all dividends after the total maximum amount has been distributed to shares of class Z-H. Every form of value distribution which is linked to the shares is to be regarded as a dividend, including but not limited to share exchanges, reduction of share capital for repayment to the shareholders, demerger and other distributions from the company and merger settlements. Shares of class Z, and B-H shall all rank *pari passu* in the event of liquidation. Allotment of subscription rights to shares or other securities in connection with preferred issues of shares shall not be regarded as a dividend. The maximum amount pertaining to the shares of class Z, and class B-H is calculated by multiplying the subscription price paid for the shares with 1.12 raised with the quota of the number of months (rounded off to the nearest whole month) between the last date of payment of the subscription amount divided by 12. If the shares have been subscribed for at different occasions (separate blocks of shares), then the calculations above shall be made based on the subscription amount for the relevant block of shares. When calculating the maximum amount as described above, the subscription amount shall at each time be reduced with any dividends that have been distributed earlier for the shares of class Z, or class B-H. When issuing new shares the terms for the new issue at hand may not be construed as to lead to that the maximum amount will be the same between receptively class Z or class B-H.

# TAX CONSIDERATIONS IN SWEDEN

*The following is a summary of certain tax regulations for individuals and limited companies (Sw. aktiebolag) that are unlimitedly taxable in Sweden, unless otherwise is stated. The summary is based on legislation currently in force and is intended as general information only. The summary does not address securities held by partnerships or held as current assets in business operations. Neither does it include the specific rules on tax-exempt capital gains (including non-deductibility of capital losses) and dividends in the corporate sector that may apply when shares are considered to be held for business purposes (Sw. näringsbetingade andelar) by the shareholder. Neither does it include the specific rules that may apply to holdings in companies that are or have previously has been closed corporations (Sw. Fåmansbolag) or to shares that are acquired on the basis of so-called qualified shares in such businesses. The summary neither address shares that are held in an investment savings account (Sw. investeringssparkonto) that are subject to special rules on flat-rate taxation. Special tax rules apply to certain categories of taxpayers, e.g., investment companies and insurance companies. The tax treatment of each individual shareholder depends on the investor's particular circumstances. Each holder of shares should therefore consult a tax adviser for information on the specific implications that may arise in an individual case, including the applicability and effect of foreign rules and tax treaties.*

## RESIDENT SHAREHOLDERS

### Individuals

#### Capital gains taxation

A taxable capital gain or deductible capital loss may arise on the sale or other disposition of listed shares. Capital gains are taxed as income from capital at a rate of 30 percent. Capital gain or loss is normally calculated as the difference between the sales proceeds, after deducting sales costs, and the tax base. The tax base of all shares of the same class and type are added together and computed collectively using the average method (Sw. *genomsnittsmetoden*). Upon the sale of listed shares, the tax basis may alternatively be determined as 20 percent of the sales proceeds after deducting sales costs under the flat-rate method (Sw. *schablonmetoden*).

Capital losses on listed shares are fully deductible against taxable capital gains arising on the same taxation year from shares or other listed equity-related securities with the exception of units in mutual funds that consist exclusively of Swedish receivables (Sw. *räntefonder*). Up to 70 percent of capital losses on shares or other equity-related securities that cannot be set off in this way are deductible against other capital income.

If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against property tax and municipal property charges. A tax reduction of 30 percent is allowed on net loss not exceeding SEK 100,000 and 21 percent of any remaining loss. Such net loss cannot be carried forward to future income years.

#### Dividend taxation

For individuals, dividends from listed shares are taxed as income from capital at a rate of 30 percent. A withholding tax of 30 percent is generally levied on dividends paid to individuals resident in Sweden. The tax is normally withheld by Euroclear Sweden or, regarding nominee-registered shares, by the Swedish nominee.

### Limited liability companies

#### Capital gains and dividends taxation

For a limited liability company, all income, including taxable capital gains and dividends, is taxed as business income at a rate of 22 percent. Capital gains and capital losses are calculated in the same manner as for individuals. Deductible capital losses on shares and other equity related securities may only be deducted against taxable capital gains on such securities. If certain conditions are fulfilled, such capital losses may also be offset against such capital gains in another company within the same group, provided that the requirements for exchanging group contributions (Sw. *koncernbidrag*) are met. A capital loss that cannot be utilised during a given year may be carried forward and be offset against taxable capital gains on shares and other equity-related securities during subsequent income years without any limitation in time.

## NON RESIDENT SHAREHOLDERS

### Withholding tax

Non-resident shareholders who receive dividends from a Swedish limited liability company are normally subject to Swedish withholding tax at a rate of 30 percent. However, the tax rate is often reduced by tax treaties for the avoidance of double taxation between Sweden and other countries. The majority of Sweden's tax treaties enable a reduction of the Swedish tax to the tax rate stipulated in the treaty directly when dividends are paid, provided that necessary information is available in relation to the person entitled to dividends. In Sweden, Euroclear Sweden or, for nominee-registered shares, the nominee normally withholds the tax.

If a 30 percent withholding tax is deducted from a payment to a person entitled to be taxed at a lower rate, or if too much withholding tax has otherwise been withheld, a refund can be requested from the Swedish Tax Agency before the end of the fifth calendar year following the dividend distribution.

### Capital gains taxation

A non-resident shareholder is generally not liable for Swedish capital gains tax on the disposal of shares, provided that the shareholder does not carry out business activities from a permanent establishment in Sweden to which the shares are connected. Shareholders can however be taxed in their domicile country. Under a specific tax rule, private individuals that are not resident in Sweden may be subject to tax in Sweden on the sale of shares if they have been resident or lived permanently in Sweden at any time during the year of such disposal or under any of the ten preceding calendar years. The application of this rule may be limited by tax treaties between Sweden and other countries.

# SELLING AND TRANSFER RESTRICTIONS

## SELLING RESTRICTIONS

### United States

The shares in the Offering have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States for offer or sale as part of their distribution and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the Securities Act.

The shares in the Offering are only to be offered and sold outside the United States in offshore transactions in compliance with Regulation S and in accordance with applicable law. The terms used above have the meaning given to them by Regulation S under the Securities Act (“**Regulation S**”).

### European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each a “**Relevant Member State**”) (with the exception of Sweden), no offer of the shares in the Offering may be made to the public in that Relevant Member State, except that offers of the shares in the Offering may be made under the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- to any legal entity that is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100, or if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Global Coordinator and Sole Bookrunner for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of shares in the Offering shall result in a requirement for the publication by the Company, the Principal Shareholder’s or the Global Coordinator and Sole Bookrunner of a prospectus pursuant to Article 3 of the Prospectus Directive or of a supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “offered to the public” in relation to any shares in the Offering in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the shares in the Offering so as to enable an investor to decide to purchase any shares in the

Offering, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression “Prospectus Directive” means Directive 2003/71/EC (with amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State. The expression “2010 PD Amending Directive” means Directive 2010/73/EU.

### United Kingdom

Any offer or sale of the shares in the Offering may only be made to persons in the United Kingdom who are “qualified investors” or otherwise in circumstances that do not require publication by the Company of a prospectus pursuant to section 85(1) of the U.K. Financial Services and Markets Act 2000 (Financial Promotion) (the “**Order**”).

Any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with persons who: (i) are outside the United Kingdom; (ii) are investment professionals falling within Article 19(5); or (iii) fall within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”), of the Order or other persons to whom such investment or investment activity may lawfully be made available (all such persons together being referred to as “relevant persons”). Persons who are not relevant persons should not take any action on the basis of this Prospectus and should not act or rely on it.

### General

No action has been or will be taken in any country or jurisdiction other than Sweden that would, or is intended to, permit a public offering of the shares in the Offering, or the possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Prospectus comes are required by the Company, the Principal Shareholders and the Global Coordinator and Sole Bookrunner to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver shares in the Offering or have in their possession or distribute such offering material, in all cases at their own expense. None of the Company, the Principal Shareholders or the Global Coordinator and Sole Bookrunner accept any legal responsibility for any violation by any person, whether or not a prospective subscriber or purchaser of any of the shares in the Offering, of any such restrictions.

**TRANSFER RESTRICTIONS**

No action has been or will be taken in any country or jurisdiction other than Sweden by it that would, or is intended to, permit a public offering of the shares in the Offering, or the possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Prospectus comes are required by the Company, the Principal Shareholder and the Global Coordinator and Sole Bookrunner to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver shares in the Offering or have in their possession or distribute such offering material, in all cases at their own expense.

The shares in the Offering have not been and will not be registered under the Securities Act and the shares in the Offering may not be offered or sold, directly or indirectly, within or into the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from, or in a transaction not subject to the registration requirements of, the Securities Act.

Each purchaser of the shares in the Offering within the United States purchasing pursuant to Rule 144A or another exemption from the registration requirements of the Securities Act will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (a) the purchaser is authorised to consummate the purchase of the shares in the Offering in compliance with all applicable laws and regulations;
- (b) the purchaser acknowledges that the shares in the Offering have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States, are subject to significant restrictions on transfer;
- (c) the purchaser is aware of the restrictions on the offer and sale of the shares in the Offering pursuant to Regulation S described in this Prospectus;
- (d) the shares in the Offering have not been offered to it by means of any "directed selling efforts" as defined in Regulation S and the purchaser agrees that neither the purchaser, nor any of its affiliates, will make any "directed selling efforts" as defined in Regulation S in the United States with respect to the shares in the Offering;
- (e) the purchaser will not offer, sell, pledge or otherwise transfer any shares acquired in the Offering, except in accordance with the Securities Act and any applicable laws of any state of the United States and any other jurisdiction; and
- (f) the Company will not recognise any offer, sale, pledge or other transfer of the shares in the Offering made other than in compliance with the above stated restrictions.

# DEFINITIONS

<b>“Björntreprenad”</b>	Björntreprenad AB
<b>The “Company”, “Green Landscaping”, “Group” or “Group Company”</b>	Depending on context, Green Landscaping Holding AB (publ), reg. No. 556771-3465, the group in which Green Landscaping Holding AB (publ) is parent company or a subsidiary in the group.
<b>“Anchor Investors”</b>	Six Swedish investors that on certain terms and to the same price as other investors has undertaken to acquire shares in the Offering to a total value of approximately SEK 205 million, corresponding to 9,761,904 shares or approximately 55 percent of the Offering excluding the utilisation of the Over-allotment option.
<b>The “Offering”</b>	The offering to acquire shares in the Company in accordance with the Prospectus.
<b>“Euroclear”</b>	Euroclear Sweden AB.
<b>“FSN Capital III” or the “Principal Shareholder”</b>	FSN Capital Holding Jersey III Limited, in its capacity of general partner for FSN Capital GP III L.P in its capacity of general partner for FSN Capital III Limited Partnership.
<b>“GML Sport”</b>	GML Sport AB
<b>“Jacksons Trädvård”</b>	Jacksons Trädvård AB
<b>“J E Mark”</b>	J E Eriksson Mark & Anläggningsteknik AB
<b>“Jordelit”</b>	Svensk Jordelit AB
<b>“The Code”</b>	The Swedish Code of Corporate Governance.
<b>“Lock-up period”</b>	The period during which some of the shareholders have undertaken not to transfer shares in the Company as described in section “ <i>Share Capital and Ownership Structure</i> ” (under “ <i>Lock-Up Agreement</i> ”).
<b>“Pareto Securities” or “Global Coordinator and Sole Bookrunner”</b>	Pareto Securities AB
<b>“Placing agreement”</b>	Agreement on placement of shares as described in section “ <i>Legal considerations and supplementary information</i> ” – “ <i>Agreement regarding placing of shares</i> ”.
<b>The “Prospectus”</b>	This Prospectus which has been prepared for the Offering and admission of the Company's shares to trading
<b>“SEK”</b>	Swedish krona
<b>“Selling Shareholder”</b>	The Principal Shareholder and other shareholders who offer existing shares for sale under the Prospectus.
<b>“Tranemo Trädgårdstjänst”</b>	Tranemo Trädgårdstjänst AB
<b>“Over-allotment option”</b>	The Over-allotment Option described under section “ <i>Terms and conditions</i> ” (under “ <i>Over-allotment Option</i> ”).

# ADDRESSES

## THE COMPANY

### **Green Landscaping Holding AB (publ)**

Klarabergsviadukten 70  
111 36 Stockholm  
Sweden  
[www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se)

## GLOBAL COORDINATOR AND SOLE BOOKRUNNER

### **Pareto Securities AB**

Berzelii Park 9  
103 91 Stockholm  
Sweden

## SELLING AGENT

### **Avanza**

Regeringsgatan 103  
111 39 Stockholm

## LEGAL ADVISOR TO THE COMPANY AND THE PRINCIPAL SHAREHOLDER

### **Setterwalls Advokatbyrå AB**

Visiting address:  
Sturegatan 10, Stockholm  
Sweden

Post address:  
Box 1050  
101 39 Stockholm  
Sweden

## LEGAL ADVISOR TO PARETO SECURITIES

### **Baker & McKenzie Advokatbyrå Kommanditbolag**

Vasagatan 7  
101 23 Stockholm  
Sweden  
[www.bakermckenzie.com](http://www.bakermckenzie.com)

## AUDITOR

Ernst & Young Aktiebolag

Visiting address:  
Jakobsbergsgatan 24  
Stockholm  
Sweden

Post address:  
Box 7850  
103 99 Stockholm  
Sweden

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**Green Landscaping Holding AB (publ)**  
Klarabergsviadukten 70, 111 64 Stockholm, Sweden  
[www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se)