

“Good margin growth during the quarter”

April – June 2020

- ▶ Sales for the quarter amounted to SEK 552.1 (532.3) million, which is an increase of 3.7 percent. Organic growth was 1.2 percent after adjusting for a discontinued unit of Svensk Markservice.¹⁾
- ▶ EBITA amounted to SEK 46.5 (26.2) million. It corresponds to an increase of 77.5 percent.
- ▶ EBITA margin amounted to SEK 8.4 (4.9) percent.
- ▶ Nonrecurring items amounted to SEK 0.0 (8.7) million.
- ▶ Cash flow from operating activities amounted to SEK 63.0 (45.5) million.
- ▶ Net debt amounted to SEK 518.5 (652.9) million.
- ▶ Earnings per share were SEK 0.82 (0.40). Diluted earnings per share were SEK 0.82 (0.40).
- ▶ There was a slight negative impact on sales and earnings from COVID-19.
- ▶ During the quarter, a rights issue was carried out, which had been announced in the first quarter. It generated capital of SEK 148.6 million after transaction costs.

January - June 2020

- ▶ Sales for the first half of the year amounted to SEK 927.2 (993.6) million, which is a decrease of 6.7 percent. Organic growth was negative 11.2 percent, which was primarily attributable to the mild winter during the first quarter.
- ▶ EBITA amounted to SEK 27.8 (13.5) million. It corresponds to an increase of 206 percent.
- ▶ EBITA margin amounted to SEK 3.0 (1.4) percent.
- ▶ Nonrecurring items amounted to SEK 0.0 (22.8) million.
- ▶ Cash flow from operating activities amounted to SEK 105.3 (67.3) million.
- ▶ Earnings per share were SEK -0.02 (-0.31). Diluted earnings per share amounted to SEK -0.02 (-0.31).
- ▶ Sweden has been coping with the COVID-19 pandemic during the first half of the year. There has been a slight negative impact on sales and earnings resulting from this.
- ▶ During the period, Green Landscaping acquired GAST Entreprenør AS in Norway, which was the first acquisition outside Sweden. In Sweden, Park i Syd AB was also acquired.
- ▶ After the end of the first half of the year, the subsidiary, Gast Entreprenør AS, completed the acquisition of the landscaping operations of TH Anlegg AS in Norway, which had been previously communicated.

Key performance indicators

SEK m	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019	July 2019-June 2020
Sales	552.1	532.3	927.2	993.6	1,992.6	1,926.2
EBITA	46.5	26.2	27.8	13.5	57.2	71.7
EBITA margin, %	8.4	4.9	3.0	1.4	2.9	3.7
EBT	31.0	15.6	-1.5	-9.2	9.4	17.2
Adjusted EBITA	46.5	34.9	27.8	36.2	90.1	81.8
Adjusted EBITA margin, %	8.4	6.6	3.0	3.7	4.5	4.2
Cash flow from operating activities	63.0	45.5	105.3	67.3	98.3	136.2
Net debt	518.5	652.9	518.5	652.9	690.3	518.5
Gearing ratio / PF EBITDA, RTM	2.6	3.1	2.6	3.1	3.3	2.6
Order backlog	3,502	3,400	3,502	3,400	3,565	3,502
Basic earnings per share, SEK	0.82	0.40	-0.02	-0.31	0.20	0.47
Diluted earnings per share, SEK	0.82	0.40	-0.02	-0.31	0.20	0.46
Adjusted earnings per share, SEK	0.82	0.65	-0.02	0.33	1.12	0.75
Average number of shares, before dilution	37,171,595	35,849,663	36,801,776	35,849,663	35,917,758	37,171,595

1) Unadjusted organic growth amounted to minus 2.7 percent.

CEO comments

It is good to see an increase in earnings subsequent to our extensive efforts to integrate Svensk Markservice, which has led to lower costs and higher efficiency.

Acquiring companies is a key component of our strategy and we have an active acquisition agenda. It is also positive to see that our newly acquired companies are contributing with higher sales and margins.

Sales during the quarter amounted to SEK 552.1 (532.3) million, which is an increase of 3.7 percent. EBITA amounted to SEK 46.5 (26.2) million, with a corresponding margin of 8.4 (4.9) percent, which is an increase of 77.5 percent. Last year, adjusted EBITA amounted to SEK 34.9 million. Cash flow from operating activities amounted to SEK 63.0 (45.5) million for the quarter.

Good margin growth

The healthy growth in margin is a result of focused integration efforts to increase profitability. The work to integrate Svensk Markservice got underway during Q1 of 2019 and we are now seeing significant results of that. Those efforts continue and during the quarter, one of our initiatives was to discontinue a unit of Svensk Markservice in Region East that has been performing below par.

Segments

We have also seen a positive trend in both sales and profitability in Regions South and West, which has been fueled by both organic and acquired growth. During the second quarter, we turned three profit centers in Region South into new, independent companies.

In Region East, we obtained good results from measures implemented in the Landscaping Stockholm profit center, which is now reporting higher profitability. We also won some new contracts with customers, along with successfully defending existing ones. Examples of this are contracts working with some of the exclusive parks in Stockholm, along with maintenance work for the Hässelby/Vällingby Urban Planning Department. There was a negative impact on the region's sales from discontinuing the underperforming unit of Svensk Markservice.

Region Middle, which is very dependent on winter snow and ice removal activities was also impacted negatively in this quarter from the mild winter. Furthermore, there were start-up costs associated with new customer projects that impacted profitability during the quarter.

COVID-19

The COVID-19 pandemic is affecting all parts of our society. We take the situation very seriously and have been working systematically to safeguard the health of our employees, while still being able to service our customers without disruption. We are impressed by the morale of our employees and the willingness to support both each other and our customers in providing safe, innovative solutions.



There has been a slight negative impact on sales and earnings from COVID-19.

Fully-subscribed new share issue makes additional acquisitions possible

A key component of our strategy is to consolidate the Nordic market for maintenance and landscaping of outdoor environments. In June, we carried out the rights issues that had been previously announced and it was fully subscribed. The rights issue generated capital of SEK 148.6 million for the company, after transaction costs. The capital injections provides us with the means of, at an even quicker rate, being able to realize our strategy.

During the summer, the acquisition of the landscaping operations of TH Anlegg AS in Norway was completed. We have discussions underway with several interesting entrepreneurs in the Nordic region who, like us, are passionate about creating green cities through entrepreneurial spirit, social responsibility and sustainable entrepreneurship.

Johan Nordström
CEO

THE GROUP'S PERFORMANCE

Sales and earnings in the second quarter

Sales for the second quarter amounted to SEK 552.1 (532.3) million, which is an increase of 3.7 percent.

EBITA for April-June amounted to SEK 46.5 (26.2) million. Adjusted EBITA for April-June 2019 amounted to SEK (34.9) million. Net financial items amounted to SEK -5.6 (-5.0) million. The interest expense on our external loans was SEK -4.0 (-3.3) million. Profit for the period amounted to SEK 30.6 (14.4) million, which corresponds to basic earnings per share of SEK 0.82 (0.40). Tax expense for the quarter was SEK -0.4 (-1.2) million.

The Group consists of the following five segments: Region South, Region West, Region East, Region Middle and Region North. In total, there are 24 profit centers across these regions.

Sales and earnings, January-June

Sales for the first half of the year amounted to SEK 927.2 (993.6) million, which is a decrease of 6.7 percent.

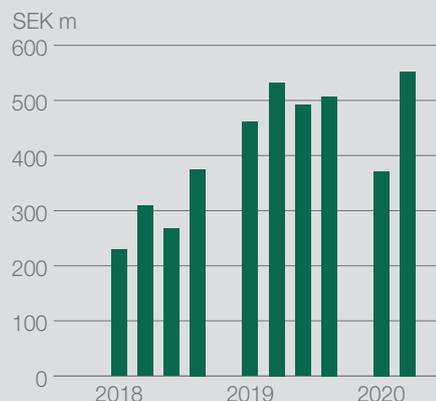
EBITA for January-June amounted to SEK 27.8 (13.5) million. Adjusted EBITA for January-June 2019 amounted to SEK 36.2 million. Net financial items amounted to SEK -11.0 (-9.4) million. The interest expense on our external loans was SEK -7.7 (-6.2) million. Profit for the period amounted to SEK -0.8 (-11.1) million, which corresponds to basic earnings per share of SEK -0.02 (-0.31). Tax for the period January-June amounted to SEK 0.7 (-1.8) million.

Order backlog

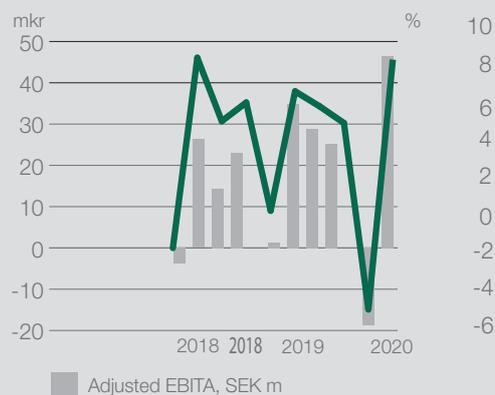
At the end of the second quarter, order backlog was SEK 3,502 (3,400) million. The volume of our order backlog has increased compared to last year, primarily due to the Group having grown via acquisitions. Compared to the first quarter, order backlog fell slightly, which is in line with expectations since yet another quarter has elapsed for the order backlog's major maintenance agreements. The effect is counteracted by agreements won during the quarter, which is explained further in the sections about each segment.

Over time, there is a correlation between the size of order backlog and sales. But this is not necessarily the case over the short term. The reason is that large, long-term contracts are procured with intervals of 5-10 years. When customers renew their contracts with Green Landscaping, it has a significant impact on the order backlog.

Sales per quarter



Adjusted EBITA



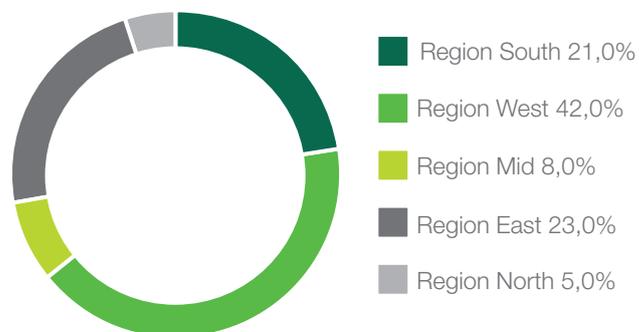
Order book Group



SEGMENT

Green Landscaping currently has a total of 24 profit centers working with ground maintenance and landscaping, sports and leisure facilities and arborist services. They, in turn, are gathered under five geographic segments. Reporting is by segment on sales, operating profit (loss) and profit margin.

Sales per segment, %
January - June



Segment reporting

SEK m	Sales				EBIT ¹⁾				Margin ¹⁾			
	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019
Region South	120.0	89.5	206.2	150.0	12.0	7.2	10.1	6.7	10.0%	8.0%	4.9%	4.5%
Region West	245.3	230.6	404.7	395.5	33.1	20.5	33.1	22.8	13.5%	8.9%	8.2%	5.8%
Region East	137.0	140.1	223.0	291.5	1.3	1.7	-13.4	-0.5	1.0%	1.2%	-6.0%	-0.2%
Region Middle	44.6	46.8	78.6	96.3	-0.6	6.8	-3.8	5.5	-1.3%	14.5%	-4.8%	5.7%
Region North	26.8	31.3	52.8	65.2	1.7	2.1	4.7	6.8	6.3%	6.7%	8.9%	10.4%
Intra-group sales	-21.6	-6.0	-38.1	-4.9	-1.0	-3.4	-2.9	-5.0	-	-	-	-
Total	552.1	532.3	927.2	993.6	46.5	34.9	27.8	36.3	8.4%	6.6%	3.0%	3.7%

1) Operating profit (loss) refers to EBITA and for 2019 adjusted EBITA, because in the comparison figures for 2019 there are non-recurring items that affect comparability.



Region South

Sales for the period April-June amounted to SEK 120.0 (89.5) million. The increase is primarily attributable to the addition of new profit centers since last year, namely, Mark & Trädgård Skottorp and Park i Syd, along with the net asset acquisition of the landscaping activities of HD Landscape. Operating profit (loss) amounts to SEK 12.0 (7.2) million and the higher profitability is attributable to a strong second quarter, where all units had high productivity along with better cost control.

Three profit centers consisting of parts of Green Landscaping AB and Svensk Markservice AB were turned into independent companies called Green Landscaping Malmö AB, Green Landscaping Helsingborg AB and Green Landscaping Skåne AB.

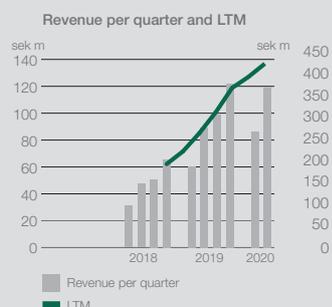
Major contracts that were won during the quarter were landscaping agreement with Svalövs Bostäder and an agreement with Halmstads Fastighets AB.

Region West

Sales for the period April-June amount to SEK 245.3 (230.6) million and operating profit of SEK 33.1 (20.5) million. The higher profitability is attributable to the Norwegian landscaping company, Gast

Entreprenør AS, which had a strong second quarter and is included in Region West as of 1 March 2020. Also, performance improved for both of the subsidiaries, GML Sport and Svensk Jordelit compared to last year. Major contracts that were won during the period were maintenance agreements with Stiftelsen Kindahus and Region Östergötland, along with a landscaping assignment with Bostadsbolaget.

KPIs REGION SOUTH



KPIs REGION WEST



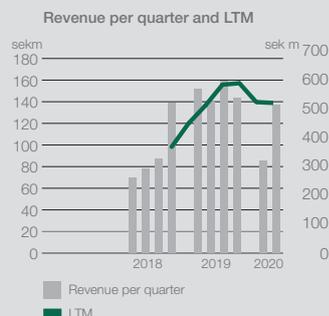
Region East

Sales for the period April-June amount to SEK 137.0 (140.1) million and operating profit of SEK 1.3 (1.7) million. For the second quarter alone, profitability was essentially in line with last year, although impacted by costs associated with discontinuing the landscaping operations of Svensk Markservice. The profit centers of Landscaping Stockholm are reporting higher profitability compared to the second quarter last year. Major contracts signed during the period were with the Hässelby-Vällingby District Administration - City of Stockholm and Salem Municipality.

Region Middle

Sales for the period April-June amount to SEK 44.6 (46.8) million and operating profit (loss) of SEK -0.6 (6.8) million. The region is reporting lower profitability compared to the corresponding period last year, which results from lower activity with winter snow and ice removal due to the mild winter, start-up costs for new contracts and changes in the mix of add-on sales.

KPIs REGION EAST



KPIs REGION MIDDLE



Region North

Sales for the period April-June amount to SEK 26.8 (31.3) million and operating profit of SEK 1.7 (2.1) million. The mild winter had a negative impact on the region, but there was success in compensating for that with a higher volume of add-on sales and landscaping assignments.

KPIs REGION NORTH



OTHER FINANCIAL INFORMATION

Financial position for the quarter

Consolidated equity amounted to SEK 388.8 (195.5) million, which corresponds to an increase of SEK 193.3 million compared to 2019-06-30. The rights issue generated additional capital of SEK 148.6 million.

Available liquidity amounts to SEK 174.8 (118.7) million. Consists of cash and cash equivalents, along with available bank overdraft.

Net debt through adjusted EBITDA pro-forma RTM amounted to 2.6 (3.1) times, which meets the requirements of the loan facility agreement.

Cash flow, investments and depreciation/amortization

Consolidated cash flow from operating activities for the quarter was SEK 63.0 (45.5) million. Cash flow from changes in working capital amounted to SEK 4.0 (0.1) million.

Net investments during the period (Q2) amounted to SEK -4.3 (-3.5) million.

Depreciation of property, plant and equipment during the period was SEK -24.3 (-27.9) million.

Amortization of intangible assets during the period was SEK -9.9 (-5.6) million.

Employees

The average number of employees during the quarter was 1,331, compared to 1,233 employees during the same period last year.

Risks and uncertainties

Operational risks

Operating activities involve several risk factors that could impact the company's business and financial position. The risks are primarily associated with operating activities such as quality of supply, tendering, and delivery efficiency. Weather is another external risk that could impact earnings. To counter such risks, the company strives to have a mix of agreements with fixed and variable remuneration. It also strives to share the risks with customers and subcontractors.

Financial risks

Through its operations, the Group is exposed to a variety of financial risks, such as credit risk, market risks (interest rate risk and other price risks) and liquidity risk. The Group's overall risk management is focused on unpredictability in the financial markets and efforts are aimed at minimizing the potential negative effects on the Group's financial results.

The Group's financial transactions and risks are managed by the CFO and the company's other senior executives, along with

the board of directors. The Group's overall goal for financial risks is to minimize the negative effects on the Group's earnings due to market changes or other changes in the surrounding world.

Significant events after the end of the reporting period
After the close of the first six months of the year, the subsidiary, Gast Entreprenør AS, completed the acquisition of the landscaping operations of TH Anlegg AS in Norway, which had been previously communicated.

COVID-19

The COVID-19 pandemic has had a widespread impact on all parts of our society. The Group has obtained some government assistance as part of the relief program. There has been a slight negative impact on sales and earnings from COVID-19. It is difficult to predict the future outlook and we are maintaining a high level of preparedness.

We have not identified any need to record impairment losses on goodwill that has been recognized for the Group based on COVID-19.

As of 30 June 2020, the impact of the COVID-19 pandemic has not had any significant impact on the valuation of inventories.

As of 30 June 2020, there were no indications of a significant impact on the provision for credit losses due to COVID-19.

Transactions with related parties

There were no significant transactions with related parties during the quarter besides ordinary salaries and remuneration to the Board of Directors and senior executives.

Parent Company

The Parent Company's net sales for the period amounted to SEK 6.3 (6.8) million. Operating profit (loss) amounted to SEK 0.0 (-5.3) million. The change is primarily attributable to regular invoicing of management fees.

Accounting policies

The interim report was prepared in accordance with International Financial Reporting Standards (IFRS). This interim report for the Group has been prepared in accordance with IAS 34 Interim

Financial Reporting and the Annual Accounts Act. Disclosures in accordance with IAS 34.16A are provided in the financial statements, notes and other parts of the interim report. The Group and Parent Company apply the same accounting policies and calculation methods as described in the Annual Report for 2019. The Parent Company does not apply IFRS 16, which is in accordance with the exception stated in RFR 2.

Cash pool

Green Landscaping Group AB (publ) is the holder of the Group account. The total amount in the Group account is reported as cash and cash equivalents in the Parent Company. Subsidiaries'

share of the Group account is reported as a receivable/payable to Group companies. The Group has an overdraft facility of SEK 50 (50) million and as of 30 June 2020, the unutilized amount was SEK 50 (50) million.

Seasonality

Operations are affected by seasonal variations. The service offering also varies with each season. During summer, the company offers a complete range of ground maintenance services, including cleaning, lawn mowing, pruning, planting, harvesting and road maintenance. During winter, there is a high volume of snow and ice removal services. Sales and earnings in any given quarter are affected by the season. For Green Landscaping's operations, the first quarter of the year is low season. Sales are lower then, which has a negative impact on earnings. The level of activity increases starting in April and through to the end of the year. The highest sales and earnings are typically generated in the fourth quarter, because that is when the year's projects are wrapped up.

Share information

Green Landscaping's shares became listed for trading on Nasdaq Stockholm on 16 April 2019.

Share-based incentive program

The company has three incentive programs for key employees of the Group.

The first incentive program was set up in 2018. With full utilization of the company's incentive programs, a total of at most 1,794,832 shares will be issued (after the rights issue), which will have a maximum dilutive effect of approximately 3.7 percent of share capital. The subscription price for shares that are subscribed to via the warrants is SEK 25.45 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 1.53. Subscription of shares may occur during the period 23 March 2021 through 23 June 2021. With full utilization of the warrants, the company's share capital will increase by SEK 127,433.

The second incentive program was set up in 2019. With full utilization of the program, a total of 783,290 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 1.7 percent. The subscription price for shares that are subscribed to via the warrants is SEK 37.94 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 5.19. Subscription of shares may occur during the period 16 March 2022 through 7 June 2022. With full utilization of the warrants, the company's share capital will increase by SEK 55,614.

The third incentive program was set up in 2020. With full utilization of the program, a total of 595,515 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 1.3 percent. The subscription price for shares that are subscribed to via the warrants is SEK 27.87 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 2.70. Subscription of shares may occur during the period 22 March 2023 through 16 June 2023. With full utilization of the warrants, the company's share capital will increase by SEK 42,282.

FINANCIAL STATEMENTS

Consolidated statement of comprehensive income, in summary

SEK m	Note	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Net sales	1.2	548.2	527.1	919.2	987.1	1,973.1
Other operating income		3.9	5.2	8.0	6.5	19.5
Sales		552.1	532.3	927.2	993.6	1,992.6
Operating costs						
Cost of goods and services sold		-225.0	-202.6	-373.5	-433.2	-850.5
Other external costs		-44.4	-82.3	-80.9	-121.8	-175.9
Employee benefit expenses		-192.4	-188.3	-360.1	-358.5	-714.2
Other operating expenses		-19.5	-5.0	-36.0	-14.4	-88.1
Depreciation of PPE		-24.3	-27.9	-48.9	-52.3	-106.6
Amortization of intangible assets		-9.9	-5.6	-18.3	-13.2	-28.6
Operating profit (loss)		36.6	20.6	9.5	0.2	28.6
Profit (loss) from financial items						
Financial income		0.0	0.0	0.0	0.1	0.2
Financial expenses		-5.6	-5.0	-11.0	-9.5	-19.4
Total income from financial items		-5.6	-5.0	-11.0	-9.4	-19.2
Profit (loss) after financial items		31.0	15.6	-1.5	-9.2	9.4
Tax		-0.4	-1.2	0.7	-1.8	-2.3
PROFIT (LOSS) FOR THE PERIOD		30.6	14.4	-0.8	-11.1	7.2
Other comprehensive income						
Translation gains or losses		-0.2	-	-10.7	-	-
Total comprehensive income for the period		30.4	14.4	-11.5	-11.1	7.2
Earnings per share						
Basic earnings per share, SEK		0.82	0.40	-0.02	-0.31	0.20
Diluted earnings per share, SEK		0.82	0.40	-0.02	-0.31	0.20

All net profit and comprehensive income for the period is attributable to the Parent Company's shareholders.

FINANCIAL STATEMENTS

Consolidated statement of financial position, in summary

SEK m	Note	30 June 2020	30 June 2019	31 Dec 2019
Assets				
Intangible assets	3	673.3	544.1	566.5
Property, plant and equipment		69.3	53.6	55.7
Right-of-use assets		193.0	247.3	235.8
Financial assets		19.7	19.0	18.1
Inventories		29.2	33.4	26.4
Contract assets		90.0	70.2	70.7
Current receivables		322.9	315.7	346.9
Cash and cash equivalents		124.8	68.7	44.5
TOTAL ASSETS		1,522.2	1,352.0	1,364.6
Equity and liabilities				
Equity		388.8	195.5	219.3
Non-current liabilities		439.4	464.5	485.4
Non-current lease liabilities		125.4	165.2	162.0
Contract liabilities		72.6	61.3	22.1
Current lease liabilities		66.2	76.2	70.5
Current liabilities		429.8	389.3	405.3
TOTAL EQUITY AND LIABILITIES		1,522.2	1,352.0	1,364.6

FINANCIAL STATEMENTS

Consolidated statement of changes in equity

SEK m	Share capital	Other contributed capital	Retained earnings including profit/loss for the year	Total
Opening balance 2019-01-01	2.5	391.3	-191.0	202.8
Profit (loss) for the period	-	-	7.2	7.2
Other comprehensive income	-	-	-	-
Comprehensive income for the period	0.0	0.0	7.2	7.2
Transactions with owners				
New share issue	0.1	5.6	-	5.7
Repurchase of own shares	-	-2.5	-	-2.5
Premiums for warrants	-	2.8	-	2.8
Effect of changed accounting policy	-	-	3.5	3.5
Closing balance 2019-12-31	2.6	397.1	-180.3	219.3
Opening balance 2020-01-01	2.6	397.1	-180.3	219.3
Profit (loss) for the period	-	-	-0.8	-0.8
Other comprehensive income	-	-	-10.7	-10.7
Comprehensive income for the period	0.0	0.0	-11.5	11.5
Transactions with owners				
New issues	0.7	177.6	-	178.4
Non-cash issue	0.0	2.3	-	2.3
Repurchase of own shares	-	-1.0	-	-1.0
Premiums for warrants	-	1.3	-	1.3
Closing balance 2020-06-30	3.3	577.3	-191.8	388.8

All equity is attributable to the parent company's shareholders

FINANCIAL STATEMENTS

Consolidated cash flow statement, in summary

SEK m	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating profit (loss)	36.6	20.6	9.5	0.2	28.7
Adjustment for depreciation/amortization	34.1	33.4	67.2	65.5	136.3
Capital gain (loss)	-1.8	-2.1	-2.7	-1.8	-5.0
Other non-cash items	-	1.3	-	-	-
Interest received	0.0	0.0	0.0	0.1	0.2
Interest paid	-5.6	-5.0	-11.1	-9.5	-19.4
Paid income tax	-4.3	-2.8	-3.5	-10.0	-11.2
Cash flow from operating activities before changes in working capital	59.0	45.4	59.4	44.5	129.6
Change in inventory	-3.5	3.6	-2.8	-9.7	-2.6
Change in receivables	-47.8	9.2	2.6	33.5	15.5
Change in current liabilities	55.3	-12.7	46.1	-1.0	-44.2
Cash flow from operating activities	63.0	45.5	105.3	67.3	98.3
Business combinations	-	-	-80.6	-	-15.2
Acquisition of PPE	-3.2	-6.1	-7.7	-10.4	-24.6
Acquisition of intangible assets	-1.9	0.0	-2.0	-0.1	-6.8
Sale of non-current assets	0.8	2.6	2.8	3.9	8.6
Cash flow from investing activities	-4.3	-3.5	-87.5	-6.6	-38.0
New share issue	148.6	-	148.6	-	-
New loans	0.3	-	88.6	-	27.8
Net change in bank overdraft	-2.4	-31.2	-19.3	-17.6	1.7
Loan amortization	-102.0	-13.6	-116.0	-27.6	-55.0
Amortization of lease liability	-19.2	-21.5	-39.7	-43.4	-87.0
Repurchase of own shares	-1.0	-	-1.0	-	-2.5
Options	1.3	0.3	1.3	0.3	2.9
Cash flow from financing activities	25.6	-66.0	62.5	-88.3	-112.1
Cash flow for the period	84.3	-24.0	80.3	-27.6	-51.8
Cash and cash equivalents at the beginning of the period	40.5	92.7	44.5	96.3	96.3
Cash and cash equivalents at the end of the period	124.8	68.7	124.8	68.7	44.5

FINANCIAL STATEMENTS

Parent Company income statement, in summary

SEK m	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Net sales	6.3	6.8	12.4	13.6	24.9
Operating costs					
Other external costs	-3.3	-8.6	-5.9	-17.3	-23.4
Employee benefit expenses	-3.0	-3.5	-5.8	-6.1	-12.7
Depreciation of property, plant and equipment and amortization of intangible assets	0.0	0.0	-0.1	0.0	-
Operating profit (loss)	0.0	-5.3	0.6	-9.8	-11.2
Financial items	-2.9	-2.5	-5.8	-4.5	2.9
Group contribution received	-	-	-	-	33.6
Tax	-	-4.4	-	-4.4	-7.6
Profit (loss) for the year	-2.9	-12.2	-5.2	-18.7	17.7

The parent company does not have any items reported as other comprehensive income. Accordingly, total comprehensive income is the same as profit or loss for the year.

Parent Company balance sheet, in summary

SEK m	30 June 2020	30 June 2019	31 Dec 2019
Assets			
Intangible assets	0.6	0.5	0.6
Financial assets	959.7	766.7	806.9
Total non-current assets	960.3	767.2	807.5
Current receivables	82.3	20.9	80.3
Cash and bank	89.7	0.0	0.0
Total current assets	172.0	20.9	80.3
TOTAL ASSETS	1,132.3	788.1	887.8
Equity	483.3	266.3	308.8
Non-current liabilities	400.4	423.3	423.3
Current liabilities	248.6	98.5	155.7
TOTAL EQUITY AND LIABILITIES	1,132.3	788.1	887.8

FINANCIAL STATEMENTS

KPIs for the Group

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Sales, SEK m	552.1	375.1	507.0	492.0	532.3	461.2	375.0	267.1
Adjusted EBITA, SEK m	46.5	-18.7	25.2	28.8	34.9	1.3	23.0	14.4
Adjusted EBITA margin, %	8.4	-5.0	5.0	5.9	6.7	0.3	6.1	5.1
Working capital, SEK m	-5.3	-4.7	70.2	55.9	22.8	23.2	42.2	63.2
Nonrecurring items, SEK m ¹⁾	0.0	0.0	10.1	0.0	8.7	14.1	25.2	0.0
Equity, SEK m	384.7	210.4	219.3	220.2	195.5	180.9	202.8	207.6
Interest-bearing net debt, SEK m	-518.5	-719.7	-690.3	-665.6	-652.9	-663.2	-540.5	-126.6
Average no. of employees	1,331	1,013	1,245	1,421	1,233	965	742	584

1) See Note 4

Reconciliation of KPIs not defined in accordance with IFRS

The company presents certain financial measures in its interim report that are not defined in accordance with IFRS. The company feels that these measures provide valuable, supplementary information to investors and company management. Accordingly, the measures should be regarded as a supplement, rather than a replacement for measures defined in accordance with IFRS. Because Green Landscaping's definitions of these measures might differ from other companies' definitions of the same concepts, an explanation of how they are calculated is provided below. For more information on the purpose of each measure, please see "Definitions and explanations" at the end of this report.

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
EBITA								
Operating profit (loss)	36.6	-27.1	7.3	21.2	20.6	-20.4	-7.5	11.2
Amortization and impairment of intangible assets	9.9	8.4	7.8	7.6	5.6	7.6	5.3	3.2
Total EBITA	46.5	-18.7	15.1	28.8	26.2	-12.8	-2.2	14.4

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Adjusted EBITA								
EBITA	46.5	-18.7	15.1	28.8	26.2	-12.8	-2.2	14.4
Nonrecurring items	0.0	0.0	10.1	0.0	8.7	14.1	25.2	0.0
Total Adjusted EBITA	46.5	-18.7	25.2	28.8	34.9	1.3	23.0	14.4

Adjusted EBITA margin is calculated as Adjusted EBITA in relation to sales.

FINANCIAL STATEMENTS

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Working capital								
Inventories	29.2	25.6	26.4	29.3	33.4	37.0	23.7	25.8
Contract assets	90.0	66.7	70.7	99.3	70.2	55.5	41.6	62.4
Current receivables	322.9	295.4	346.9	302.1	315.7	340.3	372.1	191.6
Accounts payable - trade	-125.6	-121.0	-161.2	-140.4	-134.7	-156.1	-169.6	-81.2
Other liabilities	-86.8	-78.2	-53.9	-42.7	-42.1	-46.3	-60.0	-15.1
Contract liabilities	-72.6	-64.4	-22.1	-43.4	-61.3	-79.0	-15.3	-17.0
Accrued expenses	-162.4	-128.8	-136.6	-148.3	-158.4	-128.2	-150.3	-103.3
Total working capital	-5.3	-4.7	70.2	55.9	22.8	23.2	42.2	63.2

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Net debt								
Bank overdraft	0.0	-2.4	-19.3	-1.5	0.0	-31.2	-17.6	-50.4
Liabilities to credit institutions (non-current)	-396.6	-500.5	-429.5	-435.8	-426.3	-442.8	-453.7	-42.3
Liabilities from finance leases (non-current and current)	-191.6	-204.1	-232.5	-223.4	-241.4	-228.3	-112.7	-56.1
Liabilities to credit institutions (current)	-55.1	-53.2	-53.5	-53.9	-53.9	-53.6	-52.8	-6.4
Cash and cash equivalents	124.8	40.5	44.5	49.0	68.7	92.7	96.3	28.7
Total Net debt	-518.5	-719.7	-690.3	-665.6	-652.9	-663.2	-540.5	-126.6

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Adjusted EBITA								
Adjusted EBITA for the quarter	46.5	-18.7	25.2	28.8	34.9	1.3	23.0	14.4
Total, last 4 quarters	81.8	70.2	90.1	88.0	73.6	65.0	59.9	47.7
Total Adjusted EBITA RTM	81.8	70.2	90.1	88.0	73.6	65.0	59.9	47.7

	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Adjusted earnings per share								
Profit (loss) for the period	30.6	-31.5	1.7	16.5	14.4	-25.5	-14.9	16.6
Nonrecurring items (NRI)	0.0	0.0	10.1	0.0	8.7	14.1	25.2	0
Adjusted earnings	30.6	-31.5	11.8	16.5	23.1	-11.4	10.3	16.6
Average number of shares	37,171,595	36,431,957	36,011,057	35,958,429	35,849,663	35,849,663	35,567,535	35,498,909
Adjusted earnings per share, SEK	0.82	-0.86	0.33	0.46	0.65	-0.32	0.29	0.47

NOTES

Note 1 Revenue from contracts with customers

SEK m	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Services transferred over time					
Region South	120.0	89.5	206.2	150.0	371.1
Region West	206.7	183.4	329.6	314.6	646.2
Region East	137.0	140.1	223.0	291.5	593.9
Region Middle	44.6	46.8	78.6	96.3	189.4
Region North	26.8	31.3	52.8	65.2	134.8
Total	535.1	491.1	890.2	917.6	1,935.4
Goods transferred at a specific point in time					
Region West	38.6	47.1	75.1	80.9	106.7
Total	38.6	47.2	75.1	80.9	106.7
Total revenue from contracts with customers	573.7	538.3	965.3	998.5	2,042.1
Allocation of revenue by country					
Sweden	539.6	538.3	920.3	998.5	2,042.1
Norway	34.1	-	45.0	-	-
Total	573.7	538.3	965.3	998.5	2,042.1

Note 2 Segment reporting

The figures reported below are what is monitored at the segment level.

SEK m	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Region South	120.0	89.5	206.2	150.0	371.1
Region West	245.3	230.6	404.7	395.5	752.9
Region East	137.0	140.1	223.0	291.5	593.9
Region Middle	44.6	46.8	78.6	96.3	189.4
Region North	26.8	31.3	52.8	65.2	134.8
Intra-Group sales and other non-allocated sales	-21.6	-6.0	-38.1	-4.9	-49.5
Total revenue from contracts with customers	552.1	532.3	927.2	993.6	1,992.6
Region South	12.0	7.2	10.1	6.7	25.6
Region West	33.1	20.5	33.1	22.8	39.9
Region East	1.3	1.7	-13.4	-0.5	-0.5
Region Middle	-0.6	6.8	-3.8	5.5	10.1
Region North	1.7	2.1	4.7	6.8	14.6
Group-wide expenses	-1.0	-3.4	-2.9	-5.0	0.4
Total Adjusted EBITA	46.5	34.9	27.8	36.3	90.1

NOTES

Note 3 Segment reporting

Subsequent to the end of the first six months of the year, Gast Entreprenør AS completed the acquisition of the landscaping operations of TH Anlegg AS. Estimated preliminary goodwill associated with that acquisition amounts to SEK 11.3 million. During the first quarter of 2020, the Green Landscaping Group made the following two acquisitions: Gast Entreprenør AS and Park i Syd AB. During the 2019 calendar year, one acquisition was made, which was Mark & Trädgård Skottorp AB. The acquisition in 2019 resulted in recognition of goodwill for SEK 18.0 million. The acquisitions during the first six months of 2020 resulted in recognition of goodwill for SEK 86.1 million, of which SEK 74.0 million pertains to Gast Entreprenør AS and SEK 12.1 million pertains to Park i Syd AB.

Contingent consideration to be paid by the Group based on the future results of current and prior year acquisitions is a maximum of SEK 40.3 million. For the acquisition analyses presented below, the ones for Mark & Trädgård Skottorp, Gast Entreprenør AS and Park i Syd AB are still preliminary. Additional consideration is based on the terms in the purchase agreement, the company's knowledge of operations and how the current economic climate is expected to impact them. The fair value of contingent consideration is at Level 3 of the fair value hierarchy in accordance with IFRS.

Goodwill that has arisen in the company via acquisitions represents future economic benefits that are neither individually identified, nor separately reported.

Goodwill is allocated to segments when assessing any impairment need. Allocation is to the cash-generating units that are expected to benefit from the business combination that gave rise to the goodwill.

Impairment testing on goodwill involves assessing whether the unit's recoverable amount is higher than the carrying amount. The recoverable amount has been calculated on the basis of the unit's value-in-use, which is comprised of the present value of the unit's expected future cash flows, without taking into consideration any future plans to expand or restructure the business. The same significant assumptions have been made for all segments. The cash flows have been based on financial forecasts covering 5 years and on a constant rate of growth.

Company name	Operations	Acquisition date	Acquired ownership share	Sales during the holding period	Operating profit (loss) (EBIT) during the holding period	Full-year sales	Operating profit (loss) (EBIT), full year
Mark & Trädgård Skottorp AB	Maintenance of outdoor environments	July 2019	100%	25.1	3.6	41.5	6.9
Gast Entreprenør AS	Landscaping	February 2020	100%	45.0	14.0	56.6	17.4
Park i Syd AB	Project planning and landscaping	February 2020	100%	10.7	1.4	29.0	4.3

Additional consideration	2020-06-30	2019-06-30	2019-12-31
Opening amount	14.4	24.0	24.0
Change for the year	0.0	-3.0	-7.7
Added additional consideration	26.5	-	6.0
Paid additional consideration	-0.6	-0.3	-7.9
Closing amount	40.3	20.7	14.4

NOTES

	2020-06-30	2019-06-30	2019-12-31
The assets and liabilities recognized in conjunction with acquisitions are as follows:			
Cash and cash equivalents	5.0	-	16.4
Cash and cash equivalents (liability)	-	-	-0,8
Total	5.0	-	15.6
Non-current assets	18.5	-	1.5
Brands	3.5	-	1.0
Customer relations/contracts	41.6	-	12.2
Net operating assets	-0,8	-	-2,2
Deferred tax liability	-9,3	-	-3,7
Total identifiable assets	53.5	-	9.0
Goodwill	86.1	-	18.0
	2020-06-30		2019-12-31
Cash consideration (included in cash flow from investing activities)	-85,7	-	-31,6
Cash equivalents from company acquisitions (included in cash flow from investing activities)	5.0	-	16.4
Acquisition costs attributable to the acquisition of subsidiaries (included in cash flow from operating activities)	-1,0	-	0.7
Total	-81.7	-	-14.5

NOTES

Note 4 Nonrecurring items

Green Landscaping specifies its nonrecurring items in order to give its stakeholders insight into the underlying profitability without the one-off costs. The impact of nonrecurring items on cash flow is approximately the same amount.

Item	Jan-March 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
IPO and listing change	–	3.7	–	7.8	7.8
Restructuring of the business	–	–	–	0.1	–
Integration costs for Svensk Markservice and previously acquired companies	–	5.0	–	14.9	25.1
Total	–	8.7	–	22.8	32.9

The integration costs presented above consist primarily of the costs for moving to shared premises, IT integration, consultants and salary costs for redundant staff.

Note 5 Revised accounting policies

During the first six months of 2020, there were no new IFRS standards or IFRIC interpretations that have not yet entered into force and which are expected to have a significant impact on the Group. The Group and Parent Company apply the same accounting policies and calculation methods as described in the Annual Report for 2019.

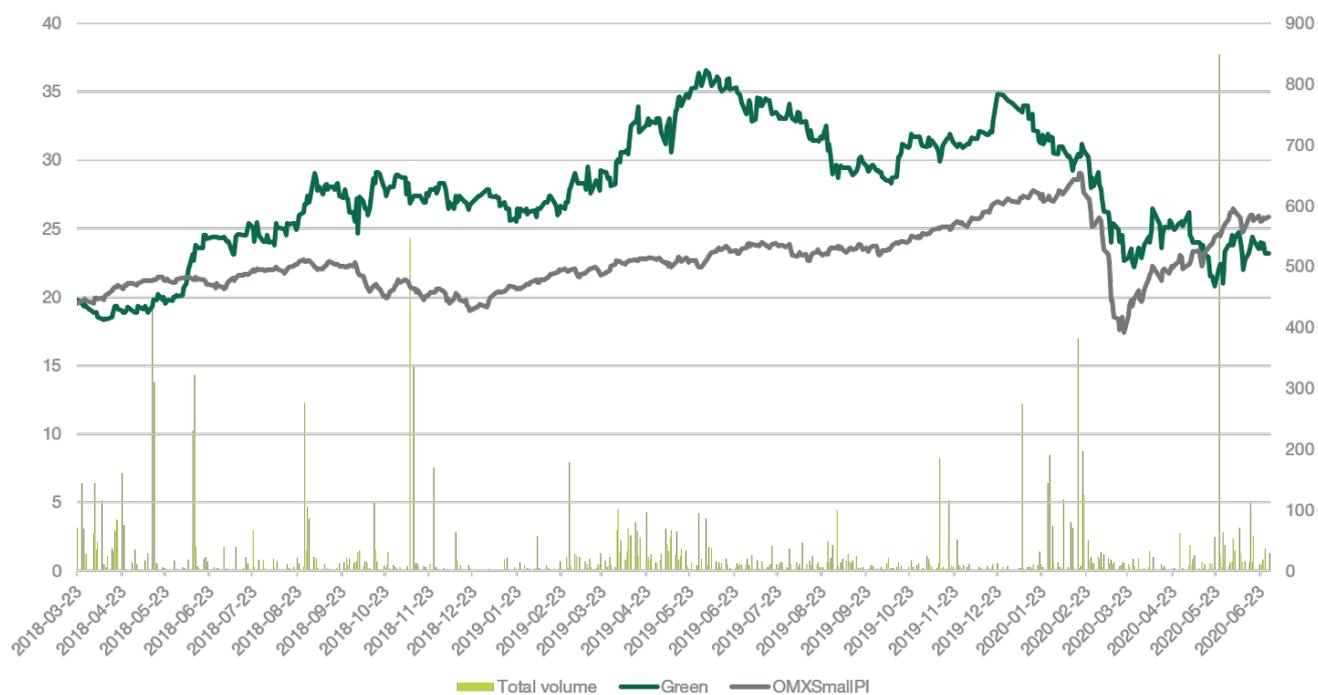
SHARE AND SHAREHOLDERS

Green Landscaping had 1,598 known shareholders as of 30 June 2020. The company has a series of ordinary shares listed on Nasdaq Stockholm.

As of 30 June 2020 there were 46,204,631 registered shares. Market Cap as of 30 June 2020 was SEK 1,072 million compared to SEK 900 million on 31 March 2020.

Largest shareholders as of 30 June 2020	No. of shares	% of equity
Byggmästare Anders J Ahlström Holding AB	9,540,123	20.6%
Salén family via company	8,432,298	18.2%
Johan Nordström via company	3,745,922	8.1%
AFA Försäkring	2,261,000	4.9%
Per Sjöstrand via company	2,086,108	4.5%
AP3, Third Swedish National Pension Fund	1,574,616	3.4%
ODIN Fonder	1,250,000	2.7%
Peter Lindell via company	919,363	2.0%
Roger Carlsson via company	781,727	1.7%
Formica Capital AB	775,000	1.7%
Total, 10 largest shareholders	31,366,157	67.9%
Other shareholders	14,838,474	32.1%
Total	46,204,631	100%

Green Landscaping 23 March 2018 - 23 June 2020



Signatures

The report has not been subject to review by the company's auditors.

Stockholm 26 August 2020

Per Sjöstrand
Chairman of the Board

Tomas Bergström
Director

Åsa Källenius
Director

Johan Nordström
Director

Staffan Salén
Director

Monica Trolle
Director

The information was made available for publication by the contact person set out below on 26 August 2020 at 08.00 CEST.

Presentation of the report

Green Landscaping's CEO Johan Nordström and CFO Carl-Fredrik Meijer present the report in a teleconference/audiocast on 26 August 2020 at 10.30 CEST.

Participants dial in with the following number: +46 8,505,583 53

Webcast: <https://tv.streamfabriken.com/green-landscaping-group-q2-2020>

More information

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Definitions and explanations

General	All amounts shown in tables are in SEK million, unless otherwise stated. All values in parentheses () are comparison figures for the same period last year, unless otherwise stated.	
Key performance indicators	Definition/calculation	Purpose
EBITA	Operating profit (loss) before depreciation, amortization and impairment of property, plant and equipment and intangible assets	EBITA is used to gauge the company's operating profitability.
EBITDA	Operating profit (loss) before amortization and impairment of acquisition-related intangible assets along with depreciation, amortization and impairment of property, plant and equipment and intangible assets.	EBITDA and EBITA are used together to gauge the company's operating profitability.
EBITA margin	Operating profit (loss) before depreciation, amortization and impairment of acquisition-related intangible assets as a percentage of sales.	EBITA margin is a measure of operating profitability.
EBT	Earnings before tax.	Earnings before tax provides an overall indication of the profit that was generated before tax.
Nonrecurring items (NRI)	Items that significantly deviate from ordinary business activities and which are limited to a single time (one-off). Examples are the listing on Nasdaq First North in March 2018 and termination of lease agreements in conjunction with acquisitions.	It provides a truer view of the underlying earnings.
Adjusted EBITA	EBITA adjusted for nonrecurring items.	Adjusted EBITA increases the comparability of EBITA.
Adjusted EBITDA pro forma	EBITDA adjusted for nonrecurring items including EBITDA of acquired companies for the current year prior to the acquisition date.	It provides an indication of the Group's position in future periods.
Adjusted EBITA margin	EBITA adjusted for nonrecurring items, as a percentage of sales.	Adjusted EBITA margin excluding the effect of nonrecurring items, which makes it possible to compare the underlying operating profitability.
Order backlog	This is the amount of contracts not yet delivered and potential add-on years.	It provides an indication of the company's future performance.
Organic growth	Sales increase of legal entities owned for the entire financial year.	It shows how current operations are performing.
Working capital	Current assets not including cash and cash equivalents, less current liabilities.	Working capital is used to measure the company's ability to meet short-term capital requirements.
Net debt	Interest-bearing liabilities less cash and cash equivalents.	Net debt is an indication of the Company's financial position.
Net debt in relation to adjusted EBITDA	Net debt as a percentage of adjusted EBITDA.	Net debt in relation to adjusted EBITDA is reported for the purpose of revealing the level of financial risk. It is also a useful metric for monitoring the Company's debt/equity level.



Green Landscaping in brief

Through its 24 subsidiaries/profit centers, Green Landscaping Group offers the market's most comprehensive service portfolio that aims to make cities more beautiful and also safer. The goal is to add real value by creating environments where people can thrive. The business is divided into the following five regions: South, West, East, Middle and North.

We are professional in everything we do. At the center of it all is our skilled, experienced employees who inspire our customers, helping them realize their dreams of creating beautiful, functional outdoor environments. We also offer care and maintenance services that maximize the lifespan of these outdoor environments. For the 2019 financial year, we had approximately 1,300 employ-

ees and annual sales of just over SEK 2 billion.

Our history

Green Landscaping Group is Sweden's leading provider for maintenance and landscaping of outdoor environments. Our business concept is to improve the customer's outdoor environment by offering services that focus on high customer value, long-term sustainability and quality. Green Landscaping was established in 2009 via a merger of four companies working with care of outdoor environments. Since then, the company has expanded through both organic growth and acquisitions.

Contact information

COMPANY ADDRESS

Green Landscaping Group AB
Mäster Samuelsgatan 9
111 44 Stockholm

CIN

556771-3465

Future reporting dates

2020

Interim report for Q3 January-September 11 November 2020

2021

Year-end report January-December 2020 17 February 2021