

Press Release

17 February 2021 – 07.00 CET

Year-end-report January-December 2020

“Improvement in earnings and strong growth”

October-December 2020

- ▶ Sales for the quarter increased by 29.4 percent to SEK 656.1 (507.0) million, of which organic growth was -0.5 percent.¹⁾
- ▶ EBITA amounted to SEK 33.3 (15.1) million, which is an increase of 120.4 percent.
- ▶ EBITA margin amounted to SEK 5.1 (3.0) percent.
- ▶ Cash flow from operating activities amounted to SEK 100.5 (21.9) million.
- ▶ Net debt amounted to SEK 796.5 (690.3) million.
- ▶ Earnings per share were SEK 0.41 (0.05). Diluted earnings per share were SEK 0.40 (0.05).
- ▶ The COVID-19 pandemic has had a negative impact on both sales and earnings.
- ▶ Three acquisitions were made during the quarter: Oveland Utemiljø AS in Norway, and in Sweden, Bengtssons Trädgårdsanläggningar AB and Thormans Entreprenad AB.

1) Sales growth between comparable units amounted to 1.0 percent, adjusted for the discontinued operations of Svensk Markservice.

CEO Johan Nordström comments on the quarter:

Sales in the fourth quarter increased by 29 percent to SEK 656 (507) million. EBITA amounted to SEK 33.3 (15.1) million, with a corresponding margin improvement to 5.1 (3.0) percent. The results are strong, demonstrating that our strategy works. We acquire successful companies that contribute to both higher sales and profitability. For the fourth quarter alone, we exceeded our long-term growth goal of 10 percent and profitability improved by 2.1 percentage points. The weather was mild during the quarter, which was beneficial to our landscaping projects, but there were essentially no snow and ice removal activities.

Positive results from synergies and streamlining

The performance of most of our existing subsidiaries and companies acquired during the year has been positive in the last quarter and they are delivering in line with expectations. Efforts continue to improve profitability in business units where performance has been weaker. Earnings have already started to improve for some of them and our efforts continue to raise the profitability of those that are still struggling.

COVID-19

The ongoing pandemic continues to have a negative impact on the business. There have, for example, been fewer meetings with customers and clients, resulting in fewer orders and delays in some of our projects.

On the operative side, we have adapted to the situation in order to create a safer work environment and things are working smoothly.

Growing in Norway

In February 2020, we made our first acquisition in Norway, which is in line with our strategy to consolidate the market for outdoor environments in the Nordic region. Two additional companies were acquired in Norway during the third quarter. In July, a net asset acquisition of TH Anlegg AS was made. The company has 14 employees and sales in 2019 were NOK 30 million. In September, Hadeland Maskindrift AS was acquired. It has 95 employees and sales in 2019 were NOK 209 million. Each of these companies (TH Anlegg and Hadeland Maskindrift), along with GAST Entreprenør, serves the Oslo region. In October, Oveland Utemiljø AS became part of the Group. It has annual sales of approximately NOK 65 million and serves Sørlandet (southern Norway). These acquisitions provide us with an excellent foundation for further expansion in Norway. On an annual basis, our sales in Norway now exceed NOK 400 million.

Still many interesting opportunities in Sweden

Since it was established in 2009, Green Landscaping has had a steady stream of interesting acquisition candidates and it has grown by adding well-run companies working with outdoor environments to the Group. In 2020, three companies were acquired in Sweden, the most recent of which were during the fourth quarter. In October, Bengtssons Trädgårdsanläggningar AB in Malmö was added to the Group and thereafter, Thormans Entreprenad AB in Linköping. Their annual sales are SEK 85 million and just over SEK 100 million respectively.

Independent, entrepreneurial companies

The point of departure for Green Landscaping's acquisition strategy is a decentralized organizational structure aimed at preserving and promoting the entrepreneurial spirit of the companies we acquire. As part of the Green Landscaping Group, acquired companies gain access to new colleagues, knowledge exchange, collaboration and cross-selling opportunities.

We have targeted the following areas where we aim to raise the level of expertise: purchasing, lean business management and sustainability. Our centralized purchasing function enables us to negotiate lower purchase prices. We offer training and support on the lean business model so that our acquired companies can

achieve better cost control and identify areas where streamlining is possible, always, however, based on the requests and needs of local management. Typically, the level of expertise in environmental and social responsibility is already high in companies working with outdoor environments. However, when an acquired company joins the Green Landscaping Group, they benefit from the structure and established routines that we offer. Examples are our employment program targeting social exclusion and our Code of Conduct for suppliers and subcontractors.

Positioned for further growth

As we embark upon 2021, where the conditions are favorable in all regions, our order backlog is approximately SEK 4.4 billion.

A key component of our strategy is to consolidate the Nordic market for maintenance and landscaping of outdoor environments. As we mentioned in our previous interim report, Green Landscaping carried out a rights issue in the second quarter for approximately SEK 150 million, aimed at being able to implement our strategy more quickly. We are very happy to have added seven new companies to the Group thus far this year, four of which are in Norway and three in

Sweden. In total, they add approximately SEK 650 million in sales, with good profitability margins.

Our strategy is working, and we are well equipped for continuing our successful consolidation of the Nordic market for ground maintenance.

Presentation of the report

Green Landscaping CEO Johan Nordström and CFO Carl-Fredrik Meijer present the report in a telephone conference / audiocast on 17 February at 10.30 am CET. The presentation will be held in English.

Telephone: +46 8 566 426 51

PIN-code: 24058480#

Webcast: <https://edge.media-server.com/mmc/p/iqoymo4sAn>

The information was submitted, through the below contact persons, for publication on 17 February 2020 at 07:00 am CET.

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Green Landscaping Group is the leading player in ground maintenance and landscaping of outdoor environments in Sweden. Our business concept is to enhance the customer's outdoor environment by offering services focused on high customer value, long-term sustainability, and quality. The Company has approximately 1,300 employees and sales amount to approximately SEK 2 billion. The Company's shares are listed on Nasdaq Stockholm with the ticker GREEN. For more information visit www.greenlandscapinggroup.se.