

Press release

27 August 2021 – 07:00 CEST

Green Landscaping Group Interim Report January-June 2021

“Substantial increase in sales, earnings and cash flow”

April-June 2021

- Sales during the quarter amounted to SEK 794.4 (552.1) million, which is an increase of 43.9 percent*. Organic growth was 2.8 percent.
- EBITA amounted to SEK 65.1 (46.5) million. It corresponds to an increase of 40.0 percent.
- EBITA margin amounted to SEK 8.2 (8.4) percent.
- Cash flow from operating activities amounted to SEK 104.2 (63.0) million.
- Net debt amounted to SEK 913.3 (518.5) million.
- Earnings per share were SEK 0.76 (0.82). Diluted earnings per share were SEK 0.74 (0.82).

* 44.1 percent, not including currency effects

CEO Johan Nordström comments on the quarter:

Substantial growth, earnings and cash flow

There was a substantial increase in sales, earnings and cash flow during the quarter, which we regard as confirmation that our business model works. Our companies in Norway are growing robustly both in terms of sales and earnings. The market in Sweden has, in general, been slightly more hesitant.

Four acquisitions and entry into a new market

We welcomed four new companies to the Group during the last quarter.

The acquisition of Håkans Trädgårdstjänst AB in Borås strengthens our position in the region of Sjuhäradsbygden. It also facilitates collaboration with Tranemo Trädgårdstjänst.

In 2020, we made our entry into the Norwegian market and since then, have been strengthening our position by acquiring additional successful companies. We have further solidified our position, primarily in the Oslo region, with the acquisition of

EF Drift AS and OK Hage AS. We are now able to offer the region a broad spectrum of high quality services that includes both landscaping and maintenance of roads and outdoor environments. Since the entry into the Norwegian market last year, the region has grown substantially and it is now delivering the highest margin and earnings. For this, we have our dedicated and talented entrepreneurs and employees to thank.

Our strategy is working well and with the acquisition of the landscaping company, Viher-Pirkka Oy, based in Helsinki, we are now represented in Finland, which is a new market for us.

Companies that joined the Group during the second quarter generate annual sales of approximately SEK 275 million. I am both proud of, and delighted with, the addition of these new companies. I look forward to following their progress now, as part of the Group.

During the quarter, we carried out a targeted new share issue that generated SEK 150 million in order to strengthen the balance sheet and facilitate further expansion.

Impact of the pandemic

The COVID-19 pandemic continues to have a somewhat 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. Employees on sick leave is having a negative impact on the organization due to loss of production.

Driving force and ability – the foundation of our strategy

Our strategy is based on a decentralized model of fostering both independence and entrepreneurial spirit within the company. Part of our journey towards decentralization has involved creating strong, independent companies out of the prior Green

Landscaping AB and Svensk Markservice AB. What we have learned is that companies with 20-50 employees and sales in the range of SEK 50-150 million is what works best. There are, however, exceptions to this. During the spring, we turned two business units in Region Stockholm into companies and more of the same will now follow in both Region Middle and Region North.

We have also initiated a structured discontinuation of operations during the period of one business unit in Region Stockholm. Customer agreements that run into the next year will be taken over by other companies in the region and we expect to have this all concluded during the year.

Leadership is crucial

Our success is, to a large extent, dependent on the skill and expertise of the CEOs and entrepreneurs that we have in the Group. Therefore we are constantly monitoring that we have the right talent in the right place. During the period, we appointed new CEOs at two of our companies in Region Middle and one in Region Stockholm. I would like to take this opportunity to warmly welcome them to the Group.

Green Landscaping Group is growing and developing in the right direction, and we are confident about the strategy we are pursuing. The potential to continue consolidating the Nordic market for ground maintenance and landscaping remains good.

Presentation of the report:

Green Landscaping CEO Johan Nordström and CFO Carl-Fredrik Meijer will present the report in a telephone conference / audiocast on 27 August at 10:00 CEST. The presentation will be held in English.

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Green Landscaping Group AB (publ) is the Nordic 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 1,350 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.