



PRESS RELEASE

5 May 2022 – 07:00 CEST

Green Landscaping Group Interim Report January-March 2022

High growth and substantially improved profitability

January – March 2022

- Total revenue during the quarter amounted to SEK 886 (669) million, which is an increase of 32.5 percent*.
- Organic growth was 6.7 percent. Adjusted for currency effects, organic growth was 5.1 percent.
- EBITA amounted to SEK 61 (15) million. It corresponds to an increase of 318 (-) percent.
- EBITA margin amounted to SEK 6.9 (2.2) percent. It corresponds to an increase of 4.7 percentage points. With these results, the financial target of an EBITA margin that is at least 8 percent has been met, based on the most recent 12-month period.
- Cash flow from operating activities amounted to SEK 78 (37) million.
- Basic earnings per share were SEK 0.27 (-0.14).
- Diluted earnings per share were SEK 0.27 (-0.13)

* 30.6 percent, not including currency effects.

CEO Johan Nordström comments on the quarter:

The Group got off to a good start this year. Sales are increasing sharply, as well as earnings, which is driven by improvements in our existing companies along with the performance of new, profitable companies that have joined the Group. One important part of the Group's efforts involves putting the right prerequisites in place for our companies and entrepreneurs to succeed. I am proud to report that our strategy is bearing fruit.

High growth with improved margin

We are continuing to grow strongly and total revenue increased by 32.5 percent to SEK 886 (669) million in the quarter. Positive is that the organic growth amounted to 6.7 percent. EBITA improved even further and amounted to SEK 61 (15) million, which corresponds to an increase of 318 percent. The strong earnings trend is being driven by higher profitability in our existing companies and the high margins of companies that we have acquired. As a result of these efforts, we were able to achieve an EBITA margin for the quarter of 6.9 (2.2) percent.

Basic earnings per share were SEK 0.27 (-0.14) million and the cash flow from the operating activities amounted to SEK 78 (37) million.

Our improved profitability in the first quarter means that we now have an EBITA margin over the last 12 months of 8.2 (5.5) percent and have thus achieved our financial target of an EBITA margin that is at least 8.0 percent. The gearing ratio (measured as net liabilities/EBITDA pro-forma RTM) was 2.3



(2.9) times. The growth rate for the last 12-month period was 40 percent, compared with the goal of growing by 10 percent.

Over the last three years, our Compound Annual Growth Rate (CAGR) has been 34 percent for sales and 123 percent for EBITA.

Russia's invasion of Ukraine is an abuse of a sovereign state and we have great sympathy for those affected by the war. We ensure as far as possible that we do not do business with companies linked to Russian interests. Through activities in our companies, we support Ukraine in various ways. Among other things, one of our subsidiaries in Finland has employed people who fled the war.

Our business is affected by increased input costs and we work actively to limit the effect of cost increases. Many of the Group's contracts stretch over many years and they contain indexation clauses to adjust prices. Other project activities are carried out in contracts with a duration shorter than one year, which makes it possible to adapt them for rising costs as needed. The situation is being carefully monitored and the CEOs of our subsidiaries are working proactively with this.

New acquisitions strengthen our position

The Group acquired four new companies during the first quarter (their estimated annual sales are shown in parentheses): Markbygg Anläggning Väst AB (SEK 280 million) in Sweden, Hallandsåsens Utemiljö AB (SEK 30 million) in Sweden, Glenn Syvertsen AS (SEK 35 million) in Norway and Rainset Oy (SEK 40 million) in Finland. Also, subsequent to the end of the quarter, we signed an agreement to acquire all of the shares in Aktiv Veidrift AS (annual sales of approximately NOK 240 million) in Norway. Through these acquisitions, we strengthen our position in the Norwegian market and benefit from the additional skills and expertise that these new, dedicated entrepreneurs and employees contribute, making all of us grow stronger.

The addressable market for potential companies that could become part of the Group is high and we continuously meet exciting companies. The interest for the Group is growing and we can see that our offering to entrepreneurs is attractive. We have a long-term approach and believe in the power of local entrepreneurship, which is why we take great care in ensuring that there is a good cultural fit between the Group and companies that we acquire. During the acquisition process, we thus put a great deal of emphasis on getting to know the new entrepreneurs well.

Local entrepreneurship is fundamental to our strategy and success

The Group now consists of 42 subsidiaries in Sweden, Norway and Finland. All of them are independent companies that have the autonomy to make decisions adapted to the local conditions, in a decentralized context. We can best meet the needs of our customers and suppliers by adapting to the local conditions and opportunities. With this in mind, we put a great deal of focus on putting the right prerequisites in place for our companies to act and thrive.

As a group, we also work in a structured way to derive the greatest benefits from the expertise that exists at the local subsidiaries and support them in their development. We do this, for example, using methods for business development/LEAN and various initiatives associated with digitalization.



I am proud of what we have accomplished thus far on our journey to consolidate the Nordic market for ground maintenance & landscaping. I regard the results from the last quarter as evidence that our strategy is both viable and strong.

This report contains information that Green Landscaping Group AB (publ) is required to disclose in accordance with the EU Market Abuse Regulation. The information was made available for publication by the contact person set out below on 5 May 2022 at 07:00 CEST.

Presentation of the report:

Green Landscaping Group's CEO Johan Nordström and CFO Carl-Fredrik Meijer will present the report in a teleconference/audiocast on 5 May at 10:00 CEST. The presentation will be held in English.

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Webcast: <https://financialhearings.com/event/44141>

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Green Landscaping Group AB (publ) works with outdoor environments and infrastructure. Through subsidiaries, we offer the most comprehensive service portfolio on the market, aimed at making outdoor environments more sustainable and safe. 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 1,600 employees and sales amount to approximately SEK 3.2 billion. The Company's shares are listed on Nasdaq Stockholm with the ticker GREEN. For more information visit www.glgroup.se.