



PRESS RELEASE

19 August 2022 – 07:00 CEST

Green Landscaping Group Interim Report January-June 2022

Continued positive trend with stable profit margin and high growth

April - June 2022

- Total revenue during the quarter amounted to SEK 1,143 (794) million, which is an increase of 43.9 percent*.
- The adjusted organic growth was 5.4 percent**.
- EBITA amounted to SEK 92 (65) million. It corresponds to an increase of 40.9 percent.
- EBITA margin amounted to SEK 8.0 (8.2) percent.
- Cash flow from operating activities amounted to SEK 15 (104) million.
- Reported tax during the period amounted to SEK 19 (2) million.
- Basic earnings per share were SEK 0.81 (0.76).
- Diluted earnings per share were SEK 0.81 (0.74).

* 43.3 percent, not including currency effects.

** Adjusted for the discontinued operations in Region Stockholm. Unadjusted growth amounted to 3.4%.

CEO Johan Nordström comments on the quarter:

The company continues to have a positive trend, with robust growth in both sales and earnings during the second quarter of the year. Growth is stable and continuing from a new earnings level of around 8 percent, despite uncertainty in the surrounding world having to do with inflation, rising prices, logistics challenges, energy crises and the war in Ukraine.

The company has made good progress during the last three years, growing more than 30 percent annually, with a simultaneous increase in profitability (EBITA margin) of more than 6 percentage points to just over 8 percent. We have a record-high order backlog of SEK 6.7 billion. Focus on the public sector and green infrastructure offers us good prerequisites for a favorable performance in periods of both expansion and contraction across an economic cycle.

Continued strong growth in sales and earnings

Revenue for the second quarter increased by 44 percent to SEK 1,143 (794) million and EBITA by a corresponding 41 percent to SEK 92 (65) million. EBITA margin amounted to SEK 8.0 (8.2) percent. The strong growth is in part attributable to profitable companies that were acquired, along with positive development in our existing companies. The adjusted organic sales growth was 5.4 percent for the second quarter, which is the stable level that we strive to achieve.



Basic earnings per share were SEK 0.81 (0.76) million and the cash flow amounted to SEK 15 (104) million. The difference in cash flow is mainly due to how the payment days are in the month and an effect of an increased share of project activities from acquired companies.

The performance was once again strong and exceeded or was in line with the financial targets. Sales growth for the most recent 12-month period was 40 percent, which exceeds our target of 10 percent. The EBITA margin was 8.1 percent compared to the target of 8.0 percent. The gearing ratio, measured as interest bearing debt/EBITDA pro-forma was 2.4 times, compared to the target of it not exceeding 2.5 times.

Long-term customer relationships and multi-year contracts, primarily in the public sector, create stability and predictability. We have noticed that prices have risen for materials and supplies as well as transports and have gradually factored this into our tendering processes, albeit with a bit of a delay, which affects the margin somewhat negatively. Our companies are run by local entrepreneurs who are skilled at adapting the business based on the prevailing circumstances. Overall, it provides robustness and security in these times of greater uncertainty.

Additional acquisitions strengthen the companys position in the Norwegian market

We strengthened our position in the Norwegian market during the second quarter of the year via the acquisition of Aktiv Veidrift AS. It is a highly reputable company with annual sales of approximately NOK 240 million.

We are continuously working to identify well-run, profitable companies that would be a good fit with the Group and have noticed that there is much interest in our offering. Becoming part of a larger group, while retaining independence and nurturing the local, entrepreneurial spirit is both attractive and a success factor for us. One important prerequisite for carrying out an acquisition is that the new company's culture matches our own in a way that will facilitate good collaboration going forward.

Our strategy is founded on the power of local entrepreneurship

Since the corresponding quarter in 2021, we have added nine companies and the Group now consists of 42 independent subsidiaries.

We work methodically to maintain and spread expertise and best practice, while actively supporting and developing our companies wherever the need exists. The higher level of professionalism that occurs adds value to the companies belonging to the Group.

There has been a distinct upgrade of leadership and business skills in the company in recent years. As new and successful companies have entered the group with good profitability, the demands on existing companies have increased and the limit of what is possible has been raised significantly. The visible result of the increased quality of the leadership is the growth and the upward trend of the profitability margin. It is fantastic to see how the culture in the company is developing, which creates both higher job satisfaction and greater self-confidence. Simply put, a winning company culture.

It is very satisfying to deliver yet another strong quarter. The company's strategy is clearly successful and our goal-oriented pursuits are paying off. It is also reassuring to see just how robust and resilient the company is, despite all the uncertainty in the world around us.



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 19 August 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 19 August at 10:00 CEST. The presentation will be held in English.

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Webcast: <https://tv.streamfabriken.com/green-landscaping-group-q2-2022>

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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.