



## PRESS RELEASE

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### Green Landscaping Group Interim Report January-September 2022

#### The strategy delivers results - a strong quarter

July - September 2022

- Net sales in the quarter increased by 54 percent\* to SEK 1,176 (766) million.
- Organic growth was 12 percent.
- EBITA increased by 29 percent to SEK 89 (69) million.
- EBITA margin amounted to SEK 7.6 (9.0) percent.
- Cash flow from operating activities amounted to SEK 53 (-13) million.
- Basic earnings per share were SEK 0.89 (0.58).
- Diluted earnings per share were SEK 0.88 (0.57).

\* 50.5 percent, not including currency effects.

#### CEO comments

We continue delivering on our strategy of gathering the best entrepreneurs in our sector under one roof and are able to conclude that our growth during the year has been very strong, despite all the uncertainty in the world around us.

The compound annual growth rate (CAPR) over the last three years amounts to 31 percent and the corresponding growth of EBITA is 101 percent.

#### We continue to deliver

Revenue for the year has increased by 45 percent, of which 7 percent is organic, to SEK 3.2 (2.2) billion, driven both by the strong demand from our customers and more companies having joined the Group via acquisition. EBITA increased by 63 percent to SEK 242 (148) million and in conjunction with that, the EBITA margin increased by approximately one percentage point to 7.6 (6.7) percent. For 12-months rolling, the margin is 7.9 percent, which is in line with our financial target. Diluted earnings per share increased by 56 percent. Cash flow increased by 69 percent to SEK 216 (128) million.

Compared to the first half of the year, there was an even higher growth rate in the third quarter, yet with a slightly lower margin of 7.6 (9.0) percent. We have specific times in our customer agreements when indexing can take place, normally annually, and therefore there is a delay from the time costs have increased until the price is adjusted. Higher interest rates and rising inflation, signs of a weaker economy and an uncertain geopolitical situation are things that impact us negatively. In that context, we are pleased that the margin is still so strong, at 7.6 percent and we are optimistic about our performance in the next quarter.

Our order backlog remains strong at just over SEK 7 billion, most of which is contracts in the public sector.



## **New acquisitions strengthen our position in Sweden and Norway**

We are continuously evaluating new potential acquisitions and are very selective in our process. We have a decentralized model that is proven to work, where companies retain their decision-making authority and responsibility, while helping to boost the size and cumulative knowledge of the Group. We can see that our offering is attractive.

During the third quarter, we welcomed two new companies to the Group via the acquisition of Braathen Landskapsentreprenør AS in Norway, with annual sales of approximately NOK 300 million and Sorex Entreprenad AS in Sweden with annual sales of approximately SEK 70 million. Both companies are run by skilled entrepreneurs with excellent knowledge of the conditions in their local market. They also share our values, which is important to us in our selection of companies to acquire.

## **New market and more acquisitions after the end of the period**

In October, Green Landscaping Group acquired UAB Stebule in Lithuania, which represents its first acquisition outside the Nordic region. The company has 330 employees and annual sales of approximately SEK 130 million. Our strategy is to increase our presence in more countries so that we can bring in the best entrepreneurs. We want to build local clusters of at least 3-4 companies so that it generates synergies.

Two additional companies were acquired after the end of the period: HK Sandnes in Norway with annual sales of approximately SEK 140 million and Taimisto Huutokoski in Finland with annual sales of approximately SEK 35 million. In total, the three companies contribute around SEK 300 million in annual sales, with good profitability.

## **A home for entrepreneurs**

So far during the year, we have added a total of ten new companies to the Group in these countries: Sweden, Norway, Finland and Lithuania. As of the end of September, Green Landscaping Group had 44 operating subsidiaries.

Here at Green Landscaping Group, talented entrepreneurs are the foundation for our success and by serving as a catalyst for discussion and knowledge exchange, we create the prerequisites for all of us to improve. When new entrepreneurs join the Group, it facilitates even more knowledge sharing and makes us all stronger. Our aim is to be a home for the best entrepreneurs in our industry.

Leadership and cultural issues are important to us and clearly linked to profitability. We work methodically to inject the required expertise and set up the structure that is needed at any of our subsidiaries. We do this by getting the best entrepreneurs in the Group involved and via our dedicated LEAN team.

Despite all the uncertainty in the world around us, I'm happy to conclude that we continue to reap success with our strategy.

*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 17 November 2022 at 07:00 CET.*



**Presentation of the report:**

Green Landscaping Group CEO Johan Nordström and CFO Carl-Fredrik Meijer will present the report in a teleconference/audiocast on 17 November at 11:00 CET. The presentation will be held in English.

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Webcast: <https://ir.financialhearings.com/green-landscaping-group-q3-2022>

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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](http://www.glgroup.se).