

## October – December 2023

- Net sales amounted to SEK 1,656 (1,625) million.
- Growth was 2 percent, of which organic growth amounted to –6 percent.
- EBITA decreased by 4 percent to SEK 159 (166) million.
- EBITA margin amounted to SEK 9.6 (10.2) percent.
- Cash flow from operating activities amounted to SEK 80 (215) million.
- Basic earnings per share were SEK 1.66 (1.41).
- Diluted earnings per share were SEK 1.66 (1.40).

## January – December 2023

- Net sales amounted to SEK 5,831 (4,810) million.
- Growth was 21 percent, of which organic growth amounted to 3 percent.
- EBITA increased by 26 percent to SEK 512 (407) million.
- The EBITA margin amounted to SEK 8.8 (8.5) percent.
- Cash flow from operating activities amounted to SEK 379 (431) million.
- Basic earnings per share were SEK 3.85 (3.41).
- Diluted earnings per share were SEK 3.85 (3.39).
- The Board proposes that no dividends shall be paid for 2023 (SEK 0).

## Significant events during the interim period October – December 2023

- In October, the German company, Rainer Gartengestaltung & Landschaftsbau, was acquired, with sales of approximately EUR 3 million (SEK 34 million) in 2022.
- In October, existing credit facilities were extended by one year to mature in 2026 instead of 2025.
- In November, a buyback program of own shares was activated with the aim of being able to transfer shares as payment in connection with future acquisitions and avoid dilution for existing shareholders.
- In December, the acquisition of Viva Gartenbau AG, in Basel, Switzerland was announced. It is in the business of ground maintenance and landscaping, with annual sales in 2022 of approximately CHF 3.2 million (SEK 38 million). The acquisition is expected to be completed during the first quarter of 2024.
- In December, Hartmann Ingenieure GmbH in Germany was acquired. It focuses on ground maintenance and landscaping for outdoor environments in Berlin, with annual sales in 2022 of approximately EUR 4.5 million (SEK 51 million).

## Significant events subsequent to the interim period

- There have not been any significant events after the end of the interim period.

## Key performance indicators

SEK m	OCTOBER-DECEMBER			JANUARY - DECEMBER			Full year 2022
	Q3 2023	Q4 2022	change	Jan-Dec 2023	Jan-Dec 2022	change	
Net sales	<b>1,656</b>	1,625	2%	5,831	4,810	21%	4,810
EBITA	<b>159</b>	166	–4%	512	407	26%	407
EBITA margin, %	<b>9.6</b>	10.2	–0.6	8.8	8.5	0.3	8.5
Operating profit (loss) (EBIT)	<b>132</b>	136	–3%	394	308	28%	308
EBIT margin, %	<b>8.0</b>	8.4	–0.4	6.8	6.4	0.4	6.4
Earnings before tax (EBT)	<b>127</b>	106	20%	292	251	16%	251
Cash flow from operating activities	<b>80</b>	215	–63%	379	431	–12%	431
Return on equity, %	<b>15</b>	16	–1	15	16	–1	16
Return on capital employed, %	<b>12</b>	10	2	12	10	2	10
Net debt	<b>1,975</b>	1,800	10%	1,975	1,800	10%	1,800
Net debt / EBITDA pro-forma, RTM	<b>2.5 times</b>	2.4 times	0.1	2.5 times	2.4 times	0.1	2.4 times
Order backlog	<b>8,263</b>	7,762	6%	8,263	7,762	6%	7,762
Basic earnings per share, SEK	<b>1.66</b>	1.41	18%	3.85	3.41	13%	3.41
Diluted earnings per share, SEK	<b>1.66</b>	1.40	19%	3.85	3.39	14%	3.39
Average number of shares, before dilution	<b>56,672,655</b>	54,991,226	3%	56,048,701	53,873,101	4%	53,873,101

Unless otherwise stated, all comparison figures are for the corresponding period previous year. The alternative key figures and definitions that have been used in this report are described on page 30. Due to rounding, some of the tables and calculations in the report are not always exact.

# CEO COMMENTS

For Green Landscaping Group, 2023 was a strong year with a solid finish and I am very pleased that the development has followed the plan we laid out. We started the year with focus on consolidating the acquisitions from 2022, along with the comprehensive effort of establishing the business in Germany and setting up the platform for further expansion in the region. We also monitored developments in the surrounding world, including uncertainty about interest rates, inflation, the economic situation and how our companies were handling it all. During the second half of 2023, we once again accelerated the rate of acquisition and ended the year well. Both net sales and profitability have grown strongly, where both the tightening of market conditions and prevailing uncertainty about the economy have presented opportunities for us to advance.

## A strong year

During the year, net sales grew by 21 percent, of which 3 percent organic. Expressed as EBITA, our profit increased by 26 percent to SEK 512 million, which corresponds to a margin of 8.8 percent. It means that we exceeded our growth target for the third year in a row and our profitability target for the second year in a row. We benefit from the long-term positive trends, which continue to provide us with the prerequisites for generating value over time.

## Strong finish to the year

The outcome for the last quarter of the year was strong. More than half of our existing companies increased both net sales and EBITA. It confirms the stability of the market and quality of our companies. It also bodes well for the future.

Net sales increased by 2 percent in the fourth quarter and amounted to SEK 1,656 (1,625) million. Organic growth was -6 percent, acquisitions contributed with 10 percent and the impact from changed exchange rate was -2 percent.

The market situation in the fourth quarter was still mixed and our assessment is that the underlying demand has not changed significantly compared to the third quarter. There is stability in our contracts for ongoing maintenance of grounds and green areas, streets, snow & ice removal. The situation was somewhat different however, for landscaping and construction. Uncertainty in the economy has hit the housing construction market particularly hard, causing many construction companies to pursue business in adjacent markets like ours.

EBITA amounted to SEK 159 (166) million, corresponding to an EBITA margin of 9.6 (10.2) percent. Profitability improved in line with normal seasonality, and we achieved the second highest outcome to date, surpassed only by the fourth quarter of last year. Profitability decreased somewhat from high levels in Sweden and Norway, while Finland and rest of Europe once again delivered an impressive profitability, particularly Stebule in Lithuania and Schmitt & Scalzo in Germany.



*“For Green Landscaping Group, 2023 was a strong year with a solid finish and I am very pleased that the performance has followed the plan we laid out.”*

Cash flow from operating activities amounted to SEK 80 (215) million, with earnings making a positive contribution. Accounts receivables were higher at year-end due to snow & ice removal activities in December, which impacted cash flow since the payments were not received until January. Indebtedness, expressed as net debt in relation to EBITDA pro-forma RTM amounted to 2.5 (2.4) times, which is in line with our financial target of 2.5 times.

## A good start to our journey on Continental Europe

We continued our expansion during the quarter with the acquisition of Rainer Gartengestaltung & Landschaftsbau in October. It is situated in Bavaria, Germany in the town of Senden. In December, we announced our first acquisition in Switzerland of the company Viva Gartenbau AG, located in Basel. And, just prior to year-end, we welcomed Hartmann Ingenieure GmbH in Germany. It is in the business of ground maintenance and landscaping for outdoor environments in Berlin. The combined annual sales of these companies in 2022 was approximately SEK 120 million and all three achieved a higher profit margin than the Group.

Overall, there is a lot to be proud of when looking back on 2023, and my assessment is that we are well-equipped for further expansion in 2024. With that, I'd like to say thank you to all our employees, partners and owners for a good year.

Johan Nordström  
CEO

# THE GROUP'S PERFORMANCE, QUARTER

FINANCIAL OVERVIEW	Q3 2023	Q4 2022	Change	Full year 2023	Full year 2022
Net sales, SEK million	1,656	1,625	2%	5,831	4,810
EBITA, SEK m	159	166	-4%	512	407
EBITA margin, %	9.6	10.2	-0.6	8.8	8.5
Return on equity, %	15	16	-1	15	16
Average no. of employees	2,745	2,565	7%	2,704	2,145

## Net sales

Net sales increased by 2 percent in the quarter to SEK 1,656 (1,625) million. Organic growth amounted to SEK -6 percent, compared to a very strong comparison period last year. Acquired companies contributed 10 percent, mainly from the companies that joined the Group from Lithuania and Germany.

Demand was stable from customers in the area of ground maintenance. Winter arrived earlier than expected in many of the Group's geographic markets. It resulted in an increase in the demand for snow & ice removal services, which had a positive impact on net sales. However, the early arrival of winter also meant a delay in certain ongoing and planned landscaping and construction projects, which negatively impacted net sales.

Changed exchange rates impacted net sales by -2 percent and the impact of a weaker NOK in relation to SEK was not entirely counterbalanced by a stronger EUR.

The order backlog amounted to SEK 8,263 (7,762) million.

## Earnings

EBITA decreased by 4 percent in the quarter and amounted to SEK 159 (166) million, corresponding to a margin of 9.6 (10.2) percent. It is noteworthy that EBITA and the margin for the quarter were the Group's second highest ever, surpassed only by the fourth quarter of last year. Companies that were acquired in the past year once again delivered a strong performance, which contributed positively to earnings, together with a continued good performance by the Group's older companies. Weaker earnings were reported by companies focused on landscaping and construction activities.

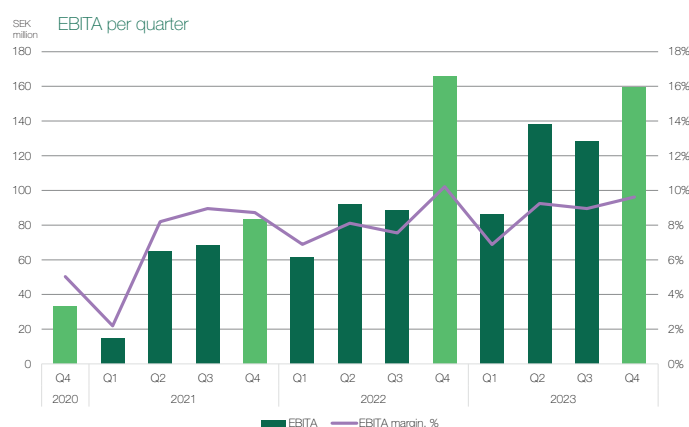
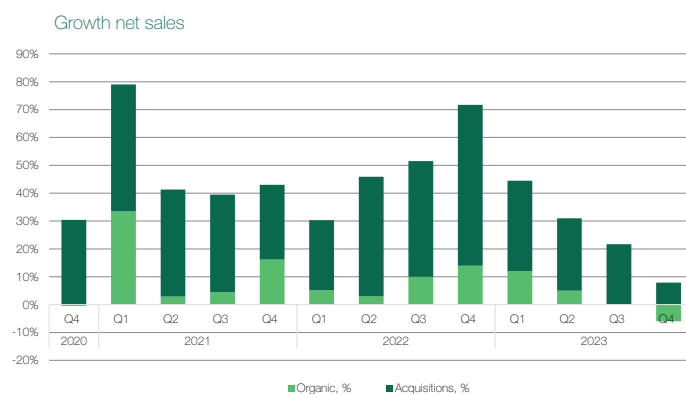
Changed exchange rates impacted earnings by -1 percent due to a weaker exchange rate against NOK. Transaction costs associated with acquisitions amounted to SEK -6 (-9) million. Operating profit amounted to SEK 132 (136) million.

Financial items amounted to SEK -5 (-31) million. Financial items were comprised of interest on loans and leasing liabilities for SEK -32 (-22) million, while interest income amounted to SEK 4 (1) million. There was a positive effect on net financial items of SEK 24 (2) million from a revaluation of liabilities for additional consideration. Currency gains/losses amounted to SEK 5 (-9) million, discounting of the liability for additional consideration to SEK -3 (-4) million and other financial items to SEK -3 (1) million. Profit for the period amounted to SEK 95 (77) million, which

GROWTH, %	Q4		Q 1-4	
	Net sales	EBITA	Net sales	EBITA
Organic	-6%	-22%	3%	-11%
Acquisitions	10%	19%	19%	38%
<b>Organic and acquisitions</b>	<b>4%</b>	<b>-3%</b>	<b>22%</b>	<b>27%</b>
Currency	-2%	-1%	-1%	-1%
<b>Total</b>	<b>2%</b>	<b>-4%</b>	<b>21%</b>	<b>26%</b>

Change compared to the corresponding period last year.

corresponds to basic earnings per share of SEK 1.66 (1.41). Tax expense for the quarter was SEK -32 (-28) million.



## Cash flow

Cash flow from operating activities amounted to SEK 80 (215) million in the quarter. Operating profit made a positive contribution, but was offset by higher working capital. Activity in the areas of road maintenance and snow & ice removal services was particularly high at the end of the quarter due to more snowfall than normal. Because of this, both accounts receivable and accrued income were higher at the end of the quarter, with an associated increase in working capital. The payments were received in January. The percentage of bad and doubtful debts was insignificant during the quarter, well in line with historical patterns.

Payments for business combinations for the quarter amounted to SEK –46 (–289) million and investments in intangible assets and PPE amounted to SEK –14 (–41) million. The investments were primarily in machinery and vehicles used in the business.

Cash flow from financing activities amounted to SEK –127 (255) million, of which new loans were SEK 2 (326) million and amortized loans were SEK –67 (–17) million. The amount of amortization on lease liabilities during the quarter was SEK –46 (–52) million.

Depreciation of PPE amounted to SEK –62 (–61) million and amortization of intangible assets amounted to SEK –27 (–29) million.

## Financial position

Equity attributable to the Parent Company's shareholders amounted to SEK 1,479 million, which is an increase of SEK 178 million compared to year-end 2022. Currency revaluation of foreign operations lowered equity in the quarter by SEK 101 million. Since the turn of the year 2022/23, there has been redemption of options for SEK 16 million and in conjunction with that, new shares were issued for a corresponding amount. Premiums received for subscribed options amount to SEK 4 million. Additionally, there was a non-cash issue of SEK 60 million used for acquisitions. During the year, own shares were acquired for SEK 17 million. At year-end, the number of own shares amounted to 256,693.

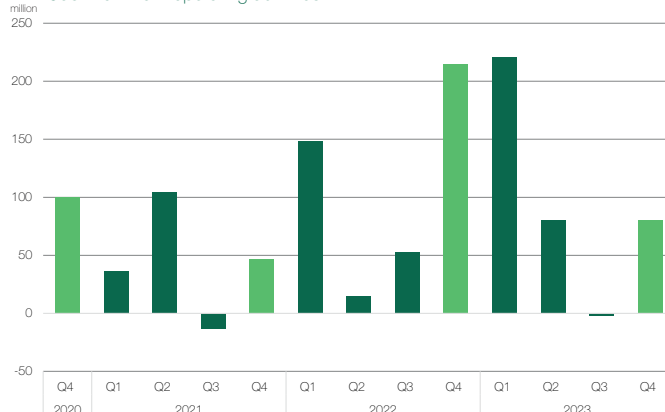
Available liquidity amounted to SEK 459 (526) million, which includes cash and cash equivalents, along with bank overdraft of SEK 43 (50) million.

At the rate that the Group acquires companies, the balance sheet total significantly changes between reporting periods. Intangible assets increased by SEK 37 million compared to last year, which is primarily a consequence of goodwill in newly acquired subsidiaries. Intangible assets are primarily comprised of customer relations, brands and goodwill that has arisen from acquisitions. Right-of-use assets increased by SEK 95 million compared to the turn of the year, both via new companies and new leases in existing companies.

Net debt amounted to SEK 1,975 million, which is an increase of SEK 175 million compared to last year, stemming from acquisitions

that were made, amortization and currency effects. Net debt, not including lease liabilities, amounted to SEK 1,435 (at year-end 2022, it was SEK 1,356 million). Indebtedness, expressed as net debt in relation to EBITDA pro-forma RTM amounted to 2.5 (2.4) times. The level is in line with the Group's financial target of 2.5 times and there is a good margin to the covenant in the financing agreement.

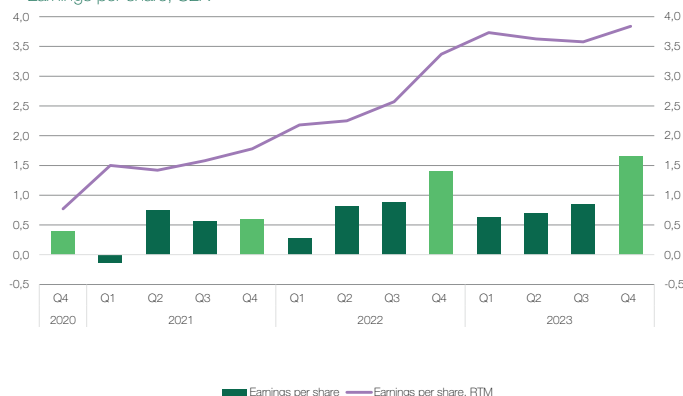
SEK million Cash flow from operating activities



times Financial leverage



Earnings per share, SEK



# SEGMENT

## Sweden

FINANCIAL OVERVIEW	Q3 2023	Q4 2022	Change	Full year 2023	Full year 2022
Net sales, SEK million	800	819	-2%	2,838	2,742
EBITA, SEK m	57	76	-25%	174	191
EBITA margin, %	7.1	9.2	-2.1	6.1	7.0
Average no. of employees	1,332	1,390	-4%	1,343	1,379

Net sales		
GROWTH, %	Q4	Q 1-4
Organic	-2	1%
Acquisitions	0	3%
<b>Organic and acquisitions</b>	<b>-2</b>	<b>4%</b>
Currency	-	-
<b>Total</b>	<b>-2</b>	<b>4%</b>

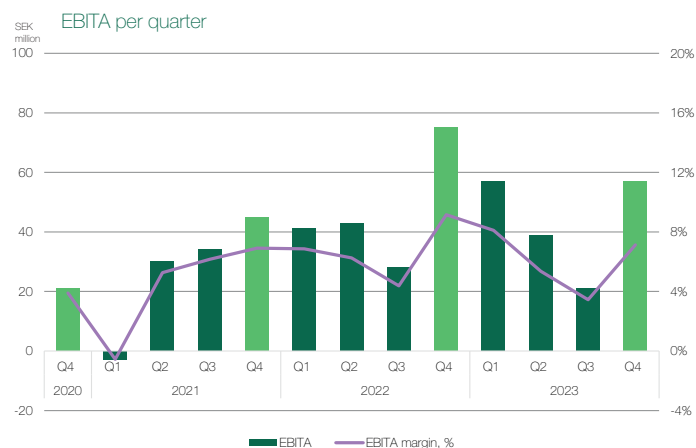
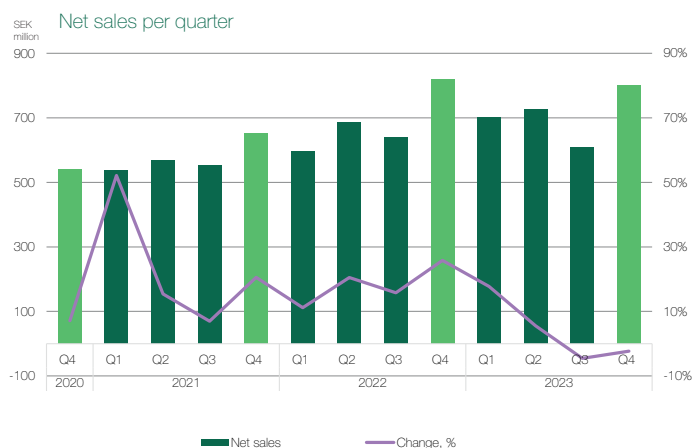
Change compared to the corresponding period last year.

Net sales for Segment Sweden decreased by 2 percent and amounted to SEK 800 (819) million in the quarter. The change is attributable to negative organic growth, since no acquisitions were made during the last 12 months. For the full year, net sales amounted to SEK 2,838 (2,742) million, of which organic growth amounted to 1 percent and acquisitions contributed with 3 percent. This remains the Group's largest segment and it accounted for nearly 50 percent of the Group's net sales and just over 30 percent of EBITA for the full year 2023.

The demand for ground maintenance services was stable during the fourth quarter. The demand for road maintenance and snow & ice removal services was high due to the early arrival of winter. This was in part counteracted by the poorer conditions for landscaping and construction due to ice and snow, which had a negative impact on net sales. The higher level of competition in the market for landscaping and construction, as mentioned earlier, also persisted during the quarter.

EBITA fell by 25 percent and amounted to SEK 57 (76) million in the fourth quarter and the EBITA margin decreased to 7.1 (9.2) percent compared to the strong fourth quarter of 2022. Companies active in ground maintenance, road and snow & ice removal services reported good results, but profitability was squeezed for those involved in landscaping and construction. The subsidiary reporting losses associated with a specific project, which was communicated earlier, impacted the segment's EBITA

margin negatively by around 1 percentage point during the quarter. Some final provisions were made in the quarter, which are assessed as adequate for covering losses during the remaining project time.



# SEGMENT

## Norway

FINANCIAL OVERVIEW	Q3 2023	Q4 2022	Change	Full year 2023	Full year 2022
Net sales, SEK million	679	711	-4%	2,385	1,851
EBITA, SEK m	82	102	-20%	242	248
EBITA margin, %	12.0	14.3	-2.3	10.1	13.4
Average no. of employees	898	849	6%	880	615

Net sales		
GROWTH, %	Q4	Q 1-4
Organic	-9	6%
Acquisitions	9	28%
<b>Organic and acquisitions</b>	<b>0</b>	<b>34%</b>
Currency	-4	-5%
<b>Total</b>	<b>-4</b>	<b>29%</b>

Change compared to the corresponding period last year.

Net sales in Norway decreased and amounted to SEK 679 (711) million, of which organic growth amounted to SEK -9 percent, which was entirely counterbalanced by acquisitions, which contributed with 9 percent. Changed exchange rates impacted net sales by -4 percent. For the full year, net sales amounted to SEK 2,385 (1,851) million, of which organic growth amounted to 6 percent and acquisitions contributed with 28 percent. The segment thus accounted for more than 40 percent of the Group's net sales and EBITA for the full year 2023.

The changed competitive situation in the landscaping and construction sector that has been noticed this year persisted and is deemed to be in line with the conditions during the third quarter. The assessment is that the early arrival of winter has not had any significant impact on the segment, because the higher demand for road maintenance and snow & ice removal services counteracted the poorer conditions in the market for landscaping and construction.

EBITA decreased and amounted to SEK 82 (102) million. EBITA margin amounted to SEK 12.0 (14.3) percent. The decline in earnings is primarily attributable to a very strong comparison period. Additionally, changed exchange rates negatively impacted earnings by -5 percent.

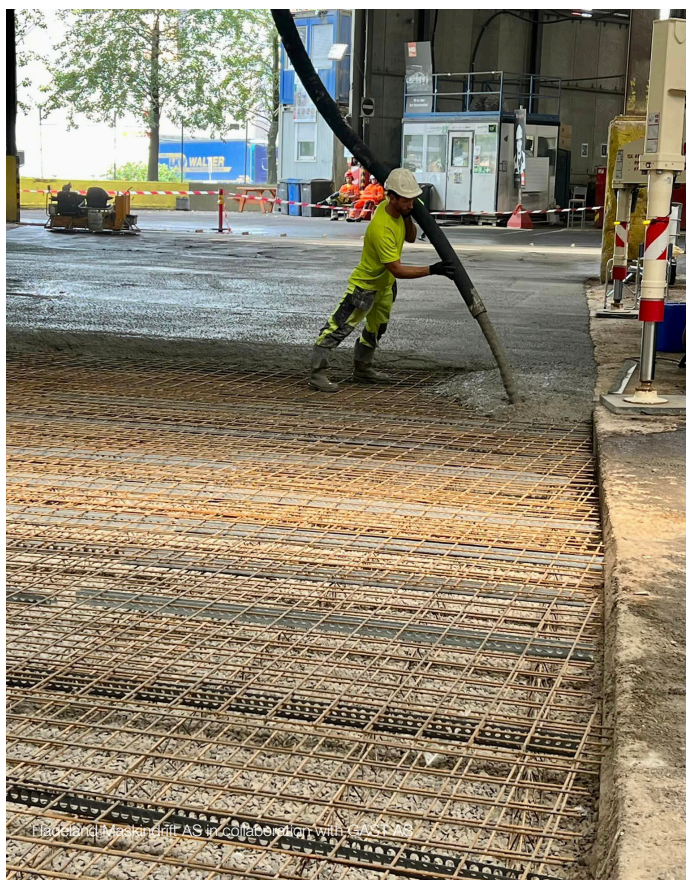
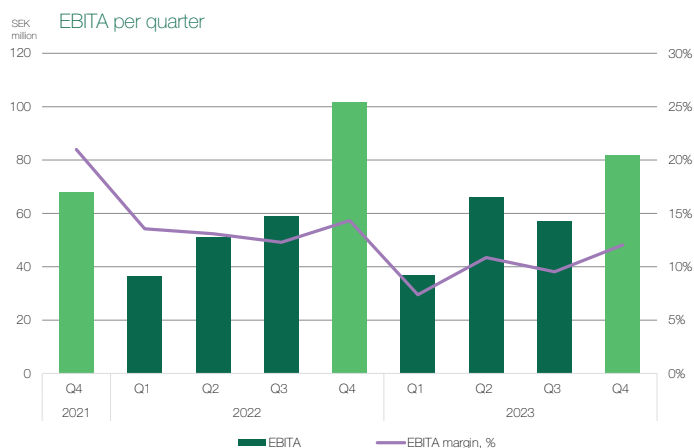
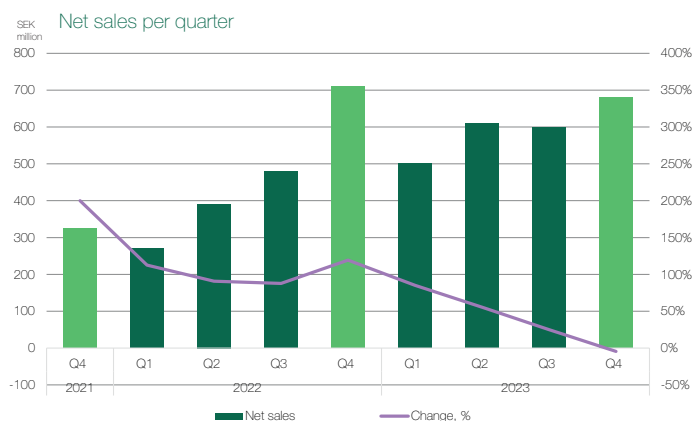


Photo: Green Landscaping Group AB in collaboration with L&S TV&G



# SEGMENT

## Finland and rest of Europe

FINANCIAL OVERVIEW	Q3 2023	Q4 2022	Change	Full year 2023	Full year 2022
Net sales, SEK million	179	101	78%	610	227
EBITA, SEK m	45	15	209%	141	23
EBITA margin, %	25.3	14.5	10.7	23.1	10.2
Average no. of employees	495	307	61%	447	131

GROWTH, %	Net sales	
	Q4	Q 1-4
Organic	-15	5%
Acquisitions	85	155%
<b>Organic and acquisitions</b>	<b>70</b>	<b>160%</b>
Currency	8	8%
<b>Total</b>	<b>78</b>	<b>168%</b>

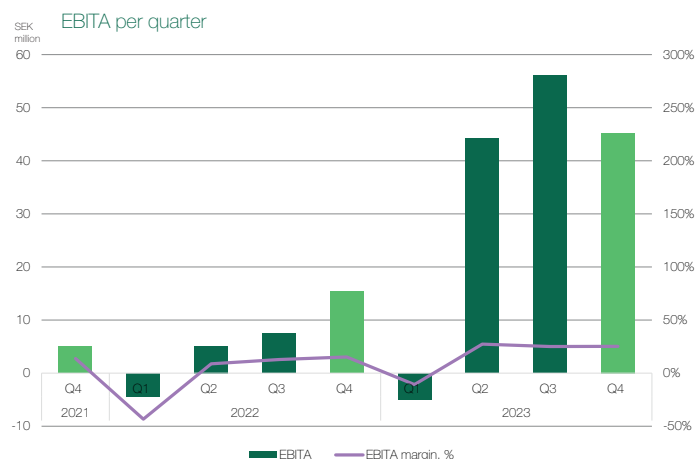
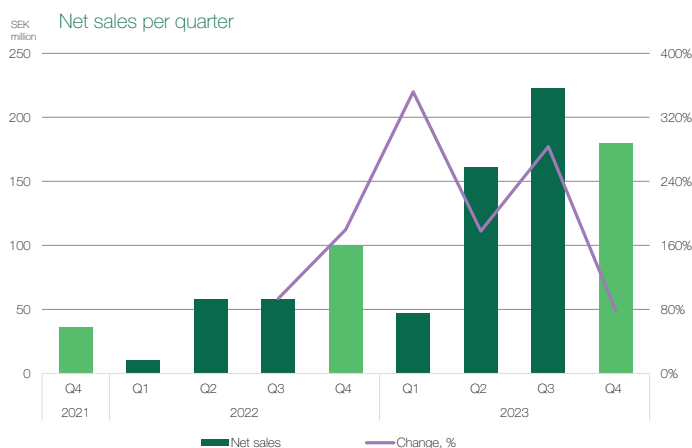
Change compared to the corresponding period last year.

Net sales increased substantially and amounted to SEK 179 (101) million, corresponding to growth of 78 percent. Organic growth was negative and amounted to -15 percent. The comparative numbers are small, which yields large percentage results. Furthermore, companies in Finland have limited activities during winter, so the early arrival of winter resulted in an even lower level of activity for them. Changed exchange rates contributed with 8 percent. For the full year, net sales amounted to SEK 610 (227) million, of which organic growth amounted to 5 percent and acquisitions contributed with 155 percent. There has been a particularly strong performance from the segment's subsidiaries in Lithuania and Germany during the year and also in the fourth quarter, where the level of activity is in line with normal seasonality. Overall, the segment accounted for around 10 percent of the Group's net sales and slightly more than 25 percent of EBITA for the full year 2023.

EBITA amounted to SEK 45 (15) million, with a corresponding margin improvement to 25.3 (14.5) percent. Stebule (Lithuania) and Schmitt & Scalzo (Germany) once again reported very good results during the quarter. Changed exchange rates impacted earnings positively by 8 percent.

In October, Rainer Gartengestaltung & Landschaftsbau was acquired. It is situated in Bavaria, Germany in the town of Senden. It is consolidated as of 1 November. It offers ground maintenance and landscaping services for outdoor environments around

Ulm and Stuttgart. Net sales amounted to around EUR 3 million (SEK 34 million) in 2022. In December, the acquisition of Viva Gartenbau AG, in Basel, Switzerland was announced. It is in the business of ground maintenance and landscaping, with annual sales in 2022 of approximately CHF 3.2 million (SEK 38 million). The acquisition is expected to be completed during the first quarter of 2024. At the end of December, Hartmann Ingenieure GmbH in Germany was acquired. It is focused on ground maintenance and landscaping for outdoor environments in Berlin, with annual sales in 2022 of approximately EUR 4.5 million (SEK 51 million). The company is consolidated as of 1 January 2024. All three companies achieved a higher profit margin than Green Landscaping Group.



# THE GROUP'S PERFORMANCE, FULL YEAR 2023.

## Net sales and earnings

Net sales amounted to SEK 5,831 (4,810) million, which is an increase of 21 percent. The period covers the full year and thus the entire range of seasonality (high and low season) for the Group's subsidiaries. Organic growth amounted to 3 (7) percent, most of which is attributable to good demand and indexation adjustments. Acquired growth amounted to 19 (44) percent, which was concentrated in Norway, Finland, Lithuania and Germany. Changed exchange rates impacted net sales by -1 (2) percent.

EBITA amounted to SEK 512 (407) million, corresponding to a profit margin of 8.8 (8.5) percent. Acquired companies accounted for the majority of the earnings improvement, which was particularly noteworthy for segment Finland and rest of Europe. Exchange rate fluctuations impacted EBITA by -1 percent. Transaction costs associated with acquisitions amounted to SEK -10 (-19) million.

Operating profit increased and amounted to SEK 394 (308) million.

Financial items amounted to SEK -101 (-57) million and were negatively impacted by, primarily, higher interest expenses. Financial items were impacted by interest on loans and lease liabilities of SEK -121 (-49) million, currency gains/losses of SEK -17 (-10) million, discounting of the liability for additional consideration of SEK -19 (-3) million and other financial items of SEK -7 (-4) million. Revaluation of the assessed outcome for additional consideration impacted net financial items positively by SEK 24 (8) million. Profit for the period amounted to SEK 218 (184) million, which corresponds to basic earnings per share of SEK 3.85 (3.41). Tax for the period was SEK -75 (-67) million.

## Cash flow and financial position

Cash flow from operating activities decreased and amounted to SEK 379 (431) million, where, primarily, the higher working capital had a negative impact. This is due to significant amounts for outstanding contract assets and accounts receivable, which were paid after the end of the reporting period.

Payments for business combinations for the quarter amounted to SEK -220 (-728) million and investments in intangible assets and PPE amounted to SEK -97 (-99) million.

Cash flow from financing activities amounted to SEK -137 (491) million, of which new loans were SEK 770 (743) million and amortized loans were SEK -723 (-100) million. The amount of amortization on lease liabilities during the year was SEK -188 (-137) million.

Depreciation of PPE amounted to SEK -228 (-160) million and amortization of intangible assets amounted to SEK -119 (-99) million.

For comments on the financial position for the full year 2023, please see the Group's performance, section on Financial position, on page 4.

## Significant events

In April, a financing agreement was signed with SEB, DNB and Svensk Exportkredit, where Svensk Exportkredit is a new party. Compared to a prior agreement, it brings an additional SEK 500 million in loan facilities, with the possibility of further expansion. The duration of the agreement is 2.5 years with the option of a one-year extension for a total amount of SEK 2,450 million, of which SEK 1,500 million is loan facilities and SEK 950 million is a revolving credit facility. The terms are essentially the same as in the prior agreement.

In June, Schmitt & Scalzo was acquired, with head office in Stockstadt am Rhein in Germany. The company was founded in 1996 and it offers a complete range of maintenance, landscaping and infrastructure services for outdoor environments primarily to customers in the public sector in Hessen, Germany. Net sales amounted to approximately EUR 13 million in 2022, with a profit margin exceeding that achieved by Green Landscaping Group. The acquisition marked the Group's entry into the continental European market.

In June, October and December, there was a change in the number of shares and votes. The change was prompted by the Board's decision to issue a total of 723,105 new shares, based on the authority it was granted by the AGM, to be used for payment in conjunction with the acquisition of Schmitt & Scalzo GmbH, Rainer Gartengestaltung & Landschaftsbau, and Hartmann Ingenieure GmbH, along with the Board's decision to issue a total of 577,979 new shares, based on the authority it was granted by the AGM, to be used for the LTIP 2020/2023 incentive program. As of 31 December, the total number of shares and votes in Green Landscaping Group AB (publ) amounted to 56,799,575.

In September, it was announced that the position of Regional Manager for Germany was being set up and that the Group was opening an office in downtown Munich, which is in the southern part of Germany in Bavaria. It will serve as the hub for further expansion in Germany, Austria and Switzerland.

In October, Rainer Gartengestaltung & Landschaftsbau was acquired. It is situated in Bavaria, Germany in the town of Senden. The company was founded in 2005. It currently has 24 employees and is being run by its founder, Matthias Rainer. It offers ground maintenance and landscaping services for outdoor environments around Ulm and Stuttgart. Net sales amounted to approximately EUR 3 million in 2022 with a profit margin exceeding that achieved by Green Landscaping Group.

In October, existing credit facilities were extended by one year to mature in 2026 instead of 2025.



A program for repurchase of own shares for a maximum of SEK 30 million was initiated in November, based on authorization granted by the AGM on 17 May 2023. The purpose is for Green Landscaping Group to be able to use the repurchased shares to finance future acquisitions and avoid dilution for existing shareholders.

In December, the acquisition of Viva Gartenbau AG, in Basel, Switzerland was announced. The company was established in 1992 by Heinz Gutjahr and Severin Brenneisen. It is currently being run by the two founders and their 20 employees. Net sales in 2022 amounted to approximately CHF 3.2 million in 2022 with a profit margin exceeding that achieved by Green Landscaping Group. The acquisition is expected to be completed during the first quarter of 2024.

In December, Hartmann Ingenieure GmbH in Germany was acquired. It is in the business of ground maintenance and landscaping for outdoor environments in Berlin. The company was

founded in 1985. It currently has 55 employees and is being run by its founder, Christoph Hartmann. Net sales in 2022 amounted to approximately EUR 4.5 million in 2022 with a profit margin exceeding that achieved by Green Landscaping Group.



# OTHER INFORMATION

## Risks and uncertainties

### *Operational risks*

Operating activities involve several risk factors that could impact the Group's business and financial position. The risks are primarily associated with operating activities such as tendering, delivery quality and delivery efficiency. Weather is another external risk that could impact earnings. To counter such risks, the company strives to have a mix of agreements with fixed and variable remuneration. It also strives to share the risks with customers and subcontractors.

Because of uncertainties in the world around us and the changed economic circumstances with higher inflation and higher fuel prices, there is a risk of cost increases for the Group. In most of our customer agreements, indexation of prices based on inflation is done. The content of contracts regulates when indexation may occur, typically, on an annual basis. This is why there is a delay between when costs rise and prices are adjusted. Statistics on the expenditure of Swedish municipalities since 2011 show an increase of spending in areas where the Group does business. The variation between years is small and there is no clear correlation between spending levels and business cycles.

### *Financial risks*

Through its operations, the Group is exposed to a variety of financial risks, such as credit risk, market risks (interest rate risk and other price risks) and liquidity risk. The Group's overall risk management is focused on unpredictability in the financial markets and efforts are aimed at limiting the potential negative effects on the Group's financial results.

The Group's financial transactions and risks are managed by the CFO and the Parent Company's other senior executives, along with the board of directors. The Group's overall goal for financial risks is to limit the negative effects on the Group's earnings due to market changes or other factors in the surrounding world.

Changes in the economic situation in 2022 and 2023 have meant that, in general, credit risk has increased and it is thus being carefully monitored. The percentage of both bad and doubtful debts was insignificant during the period, well in line with historical patterns. The majority of the Group's customers are in the public sector in terms of its net sales, thus, the risk of this customer group having difficulty paying is assessed as low.

Market interest rates have risen significantly since mid-2022. For quite some time, the Group has opted for a short fixed interest period on its outstanding loans. Changed interest rates have thus had a quick impact, causing an increase in interest expenses. Since interest rates started rising, the Group has been able to continue generating a profit. Cash flow has also been good and even improved. Interest bearing liabilities are reported at amortized cost. As of December 31, there is no difference between the reported value and fair value of the liabilities. Historically, Green Landscaping Group's market has been stable and predictable.

Management's assessment is that the conditions are good for it remaining so. Most of the services that the Group offers are necessary, so the demand for them is relatively unaffected by the overall state of the economy. A large portion of the customer base is also made up of customers in the public sector. Considering the Group's good performance, market stability and predictability, the company's performance and decision-making has thus only been marginally impacted by the higher interest rates.

Uncertainty about the economy and higher interest rates have been considered in conjunction with the impairment assessment for intangible assets.

The Group is exposed to exchange rate fluctuations, primarily the NOK currency, but to a smaller extent, also the EUR relative to SEK. The currency exposure is associated with the foreign subsidiaries' sales, earnings and equity, along with goodwill that has arisen in conjunction with acquisitions. The revenue and expenses of foreign subsidiaries is primarily in their own local currencies, which means that the direct impact of currency fluctuations in the subsidiaries themselves is limited. The percentage of consumables used in the business that are impacted by currency fluctuations is low and thus, thereby only having a limited impact on the Group's position.

The Group is primarily impacted by fluctuations in the NOK currency relative to SEK. Sales for Region Norway during the quarter were SEK 679 (711) million. A change in the exchange rate of 5 percent affects the quarter's sales by approximately SEK 34 (36) million and EBITA by approximately SEK 4 (5) million.

The Group is also affected by EUR fluctuations having to do with the businesses in Finland, Lithuania and Germany. Net sales for these countries during the quarter were SEK 179 (101) million. A change in the exchange rate of 5 percent affects the quarter's sales by approximately SEK 9 (5) million and EBITA by approximately SEK 2 (1) million.

The corresponding effect on the net assets in the Norwegian subsidiaries (including goodwill that has arisen in conjunction with the acquisitions) of an exchange rate change of 5 percent is approximately SEK 55 million based on carrying amounts at the end of the period. For the EUR-based operations, a change in the exchange rate of 5 percent affects assets by approximately SEK 29 million.

Any impact is reported directly in other comprehensive income and does not affect the net profit. Several of the investments in foreign operations that Green Landscaping Group makes are partly financed by loans in the same currency as the investment. This is how currency hedging on the investment is achieved. As of Q3 2023, hedge accounting is applied for hedges of net investments in foreign operations. Gains and losses attributable to the effective part of the hedge are reported in other comprehensive income and accumulated in the exchange rate reserve in equity. The ineffective portion of gains and losses is reported in profit (loss) for the year. Gains and losses reported in

the exchange rate reserve are recycled to profit (loss) for the year in conjunction with any divestment of foreign operations. Beyond this, the Group does not hedge currencies by buying or selling currency on futures or with other financial instruments.

For more information on the risks and uncertainties, please see the Annual Report and Sustainability Report for 2022.

### **Significant events after the end of the period**

There have not been any significant events after the end of the reporting period.

### **Transactions with related parties**

Besides remuneration to senior executives, subscription of shares within the framework of the 2020/2023 options plan and options in the 2023/2026 options plan, there have not been any significant transactions between Green Landscaping Group and related parties during the period that have impacted the company's position and earnings.

### **Parent Company**

The Parent Company's net sales for the quarter amounted to SEK 9 (9) million. Operating profit (loss) amounted to SEK -17 (3) million. For the Parent Company, net sales for the full year amounted to SEK 36 (36) million. Operating profit (loss) amounted to SEK -37 (-13) million. There has been an increase in employee benefit expenses and other external costs compared to last year. Financial items for the quarter amounted to SEK -4 (-157) million, of which dividends received amounted to SEK 1 (0) million, net interest to SEK -27 (-16) million, discounting on the liability for additional consideration to SEK -3 (-) million and currency gains/losses were SEK 27 (-9) million. Financial items for the full year 2023 amounted to SEK 185 (-11) million, of which dividends received were SEK 281 (169) million, impairment of shares in subsidiaries were SEK -20 (-134) million, net interest was SEK -98 (-33) million, discounting on the liability for additional consideration was SEK -14 (-) million and currency gains/losses were SEK 41 (-10) million.

Financial assets have increased by SEK 330 million since 31 December 2022, which is primarily attributable to the acquisition of shares in subsidiaries. Liabilities have increased by SEK 205 million since 31 December 2022. Liabilities for additional consideration have been revalued (decreased) by SEK 27 million. The revaluation pertains to 5 subsidiaries, where the assessed outcome based on the criteria in the purchase agreements is not consistent with valuation of the liability. Shares in subsidiaries have also decreased by SEK 27 million.

### **Accounting policies**

The interim report was prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report for the Group was prepared in accordance with

IAS 34 Interim Financial Reporting and the applicable parts of the Annual Accounts Act (1995:1554), The Parent Company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

As of Q3 2023, Green Landscaping Group applies hedge accounting for hedges of net investments in foreign operations. Financial liabilities are used as hedging instruments. The hedging documentation that has been prepared includes identification of the relationship between the hedging instrument and the hedged item or transaction, along with the extent to which the hedging instrument used is effective in countering changes in the fair value attributable to the hedged item. Gains and losses attributable to the effective part of the hedge are reported in other comprehensive income and accumulated in the exchange rate reserve in equity. The ineffective portion of gains and losses is reported in profit (loss) for the year. Gains and losses reported in the exchange rate reserve are recycled to profit (loss) for the year in conjunction with divestment of foreign operations.

The Group and Parent Company have otherwise applied the same accounting policies and calculation methods and assessments as described in the most recent Annual Report. A more detailed description of the Group's accounting principles, along with both new and future standards is reported in the most recently published Annual Report. New standards, amendments and interpretations effective from 1 January 2023 or later have not had any material impact on this financial report.

### **Cash pool**

Green Landscaping Group AB (publ) is the holder of the Group account. The total amount in the Group account is reported as cash and cash equivalents in the Group. The Group account for the Swedish cash pool is reported as cash and cash equivalents in the Parent Company. Subsidiaries' share of the Group account is reported as a receivable/payable to Group companies. The Group has a granted overdraft of SEK 50 (50) million, of which SEK 7 (0) was unutilized at the end of the period.

### **Seasonality**

Operations are affected by seasonal variations. The service offering also varies with each season. During the spring, summer and fall, a full range of ground maintenance services is offered such as cleaning, lawn mowing, pruning, planting, harvesting and road maintenance. Also offered is a wide assortment of planning and construction services for creating outdoor environments. Weather variations during this time have only had a limited impact on net sales and earnings, since the services that Green Landscaping Group offers also vary with the weather. During the winter however, weather conditions have a greater impact on the Group's sales and earnings. Snow and ice removal, along with pruning work is done in the winter, as well as some construction work. In general, less snow and ice removal is needed when the winter is cold and dry. Ground frost and cold also limit the opportunities

for doing construction work in the winter. A milder winter with recurring precipitation provides the opposite conditions.

The financial outcome in the quarter is impacted by the seasons. Winter occurs in the first quarter of the year. It is thus low season for most of Green Landscaping Group's operations, which negatively impacts net sales and earnings, although cash flow is strong. The level of activity increases as of April and the second quarter is high season for most of the Group's operations. The activity level decreases somewhat at the beginning of the third quarter because of summer vacation. August and September are when many landscaping and construction projects start up, requiring capital-intensive efforts by the company. Cash flow is thus also weaker. In the fourth and last quarter of the year, many customers are striving to wrap up their projects before year-end. Typically, this causes the activity level to rise.

### **Share information**

Green Landscaping Group's shares were listed for trading on Nasdaq First North Growth Market on 23 March 2018 and the ticker symbol is GREEN. On 16 April 2019, Green Landscaping Group changed its marketplace to the main market listing, Nasdaq Stockholm Small Cap and since 1 January 2022, the share has been listed on Nasdaq Stockholm Mid Cap.

### **Incentive programs**

The company has three ongoing incentive programs for key employees of the Group.

#### **2021-2024**

With full utilization of the program, a maximum of 490,000 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 0.9 percent. The subscription price for shares that are subscribed to via the warrants is SEK 100.40 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 5.18. Subscription of shares may occur during the period 12 June 2024 through 30 June 2024. With full utilization of the warrants, the Parent Company's share capital will increase by SEK 34,790.

#### **2022-2025**

With full utilization of the program, a maximum of 500,000 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 0.9 percent. The subscription price for shares that are subscribed to via the warrants is SEK 87.00 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 6.77. Subscription of shares may occur during the period 28 March 2025 through 30 June 2025. With full utilization of the warrants, the Parent Company's share capital will increase by SEK 35,500.

#### **2023-2026**

With full utilization of the program, a maximum of 550,000 shares will be issued (after the rights issue), which would have a maximum total dilutive effect of approximately 1.0 percent. The subscription price for shares that are subscribed to via the warrants is SEK 96.00 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 7.49. Subscription of shares may occur during the period 29 March 2026 through 12 June 2026. With full utilization of the warrants, the Parent Company's share capital will increase by SEK 39,051.

## FINANCIAL STATEMENTS

### Consolidated statement of comprehensive income, in summary

SEK m	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	1.2	1,656	1,625	5,831	4,810
Other operating income		25	13	54	38
<b>Total revenue</b>		<b>1,682</b>	<b>1,637</b>	<b>5,885</b>	<b>4,848</b>
Operating costs					
Cost of goods and services sold		-767	-792	-2,624	-2,263
Other external costs		-206	-193	-751	-639
Costs for remuneration to employees		-479	-415	-1,755	-1,354
Other operating expenses		-8	-11	-15	-25
Depreciation of PPE		-62	-61	-228	-160
Amortization of intangible assets		-27	-29	-119	-99
<b>Operating profit (loss)</b>		<b>132</b>	<b>136</b>	<b>394</b>	<b>308</b>
Profit (loss) from financial items					
Financial income		38	11	63	24
Financial expenses		-43	-42	-164	-81
<b>Total income from financial items</b>		<b>-5</b>	<b>-31</b>	<b>-101</b>	<b>-57</b>
<b>Earnings before tax</b>		<b>127</b>	<b>106</b>	<b>292</b>	<b>251</b>
<b>Tax</b>		<b>-32</b>	<b>-28</b>	<b>-75</b>	<b>-67</b>
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>95</b>	<b>77</b>	<b>218</b>	<b>184</b>
<b>Other comprehensive income:</b>					
Items that could be transferred to earnings for the period					
Translation gains or losses pertaining to foreign operations		-82	26	-132	51
Gains/losses from hedging of net investments in foreign operations		22	-	29	-
<b>Total comprehensive income for the period</b>		<b>36</b>	<b>103</b>	<b>115</b>	<b>235</b>
<b>Earnings per share</b>					
Basic earnings per share, SEK		1.66	1.41	3.85	3.41
Diluted earnings per share, SEK		1.66	1.40	3.85	3.39
Profit (loss) for the period attributable to the Parent Company's shareholders		94	78	216	184
Profit (loss) for the period attributable to non-controlling interests		1	0	2	0
Total comprehensive income attributable the Parent Company's shareholders		36	103	115	235
Total comprehensive income attributable to non-controlling interests		0	0	0	0

## FINANCIAL STATEMENTS

### Consolidated statement of financial position, in summary

SEK m	Note	31 Dec 2023	31 Dec 2022
<b>Assets</b>			
Intangible assets	3	2,426	2,389
Property, plant and equipment		344	298
Right-of-use assets		653	558
Financial assets		25	25
<b>Total non-current assets</b>		<b>3,448</b>	<b>3,269</b>
Inventories		80	67
Contract assets		220	128
Current receivables		1,202	1,084
Cash and cash equivalents		416	476
<b>Total current assets</b>		<b>1,917</b>	<b>1,754</b>
<b>TOTAL ASSETS</b>		<b>5,364</b>	<b>5,023</b>
<b>Equity and liabilities</b>			
Equity attributable to the Parent Company's shareholders		1,479	1,301
Equity attributable to non-controlling interests		34	35
Non-current liabilities		2,117	2,049
Non-current lease liabilities		371	355
Contract liabilities		69	68
Current lease liabilities		168	90
Current liabilities		1,125	1,125
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,364</b>	<b>5,023</b>

# FINANCIAL STATEMENTS

## Consolidated statement of changes in equity, in summary

SEK m	Share capital	Share premium reserve	Translation reserve	Retained earnings incl. profit/loss for the year	Total equity attributable to the Parent Company's shareholders	Non-controlling interests	Total
<b>Opening balance 2022-01-01</b>	4	907	29	-44	896		896
Profit (loss) for the period				184	184	0	184
Other comprehensive income			51		51	0	51
<b>Comprehensive income for the period</b>			<b>51</b>	<b>184</b>	<b>235</b>	<b>0</b>	<b>235</b>
Transactions with owners							
Non-cash issue	0	138			138		138
Exercise of warrants	0	29			29		29
Premiums for warrants				3	3		3
Repurchase of own shares *				-48	-48		-48
Divestment of own shares *				48	48		48
Non-controlling interests arising from the acquisition of subsidiaries						35	35
<b>Closing balance 2022-12-31</b>	<b>4</b>	<b>1,074</b>	<b>80</b>	<b>143</b>	<b>1,301</b>	<b>35</b>	<b>1,336</b>
<b>Opening balance 2023-01-01</b>	4	1,074	80	143	1,301	35	1,336
Profit (loss) for the period				216	216	2	218
Other comprehensive income			-101		-101	-2	-103
<b>Comprehensive income for the period</b>			<b>-101</b>	<b>216</b>	<b>115</b>	<b>0</b>	<b>115</b>
Transactions with owners							
Dividend						-0	-0
Non-cash issue	0	60			60		60
Exercise of warrants	0	16			16		16
Premiums for warrants				4	4		4
Repurchase of own shares				-17	-17		-17
Change in non-controlling interests							
Proceeds from divestment of portion of subsidiary						-1	-1
<b>Closing balance 2023-12-31</b>	<b>4</b>	<b>1,150</b>	<b>-21</b>	<b>346</b>	<b>1,479</b>	<b>34</b>	<b>1,513</b>

\* Repurchased own shares have been used as the means of payment for acquisition of subsidiaries during the comparison year.

# FINANCIAL STATEMENTS

## Consolidated cash flow statement, in summary

SEK m	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Operating profit (loss)		132	136	394	308
Adjustment for depreciation/amortization		89	90	346	259
Capital gain (loss)		-8	-11	-15	-7
Other non-cash items		-	15	-	16
Interest received		3	0	8	1
Interest paid		-33	-14	-125	-40
Paid income tax		-12	-16	-102	-82
<b>Cash flow from operating activities before changes in working capital</b>		<b>173</b>	<b>200</b>	<b>507</b>	<b>456</b>
Change in inventory		-6	48	-12	14
Change in receivables		-172	289	-181	82
Change in current liabilities		85	-324	65	-122
<b>Total change in working capital</b>		<b>-93</b>	<b>14</b>	<b>-128</b>	<b>-25</b>
<b>Cash flow from operating activities</b>		<b>80</b>	<b>215</b>	<b>379</b>	<b>431</b>
Business combinations	3	-46	-289	-220	-728
Acquisition of PPE		-14	-39	-97	-99
Acquisition of intangible assets		0	-2	-1	-3
Sale of non-current assets		39	7	39	17
Change of financial assets		0	2	-1	2
<b>Cash flow from investing activities</b>		<b>-21</b>	<b>-321</b>	<b>-280</b>	<b>-811</b>
New loans		2	326	770	743
Amortization of debt		-67	-17	-723	-100
Amortization of lease liability		-46	-52	-188	-137
Repurchase of own shares		-17	-1	-17	-47
Option premiums and option redemptions		0	0	20	32
<b>Cash flow from financing activities</b>		<b>-127</b>	<b>255</b>	<b>-137</b>	<b>491</b>
<b>Cash flow for the period</b>		<b>-68</b>	<b>150</b>	<b>-37</b>	<b>112</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>498</b>	<b>320</b>	<b>476</b>	<b>352</b>
Translation difference in cash and cash equivalents		-13	6	-22	12
<b>Cash and cash equivalents at the end of the period</b>		<b>416</b>	<b>476</b>	<b>416</b>	<b>476</b>



## FINANCIAL STATEMENTS

### Parent Company income statement, in summary

SEK m	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	9	9	36	36
Other operating income	0	0	0	0
<b>Total operating income</b>	<b>9</b>	<b>9</b>	<b>37</b>	<b>36</b>
Operating costs				
Other external costs	-11	1	-34	-26
Employee benefit expenses	-15	-8	-39	-23
<b>Operating profit (loss)</b>	<b>-17</b>	<b>3</b>	<b>-37</b>	<b>-13</b>
Financial items	-4	-157	185	-11
<b>Profit (loss) after financial items</b>	<b>-21</b>	<b>-154</b>	<b>148</b>	<b>-24</b>
Provision to tax allocation reserve	-20	-	-20	-
Group contributions made and received	120	32	120	28
Tax	-14	-5	-13	-2
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>65</b>	<b>-127</b>	<b>235</b>	<b>2</b>

The parent company does not have any items reported as other comprehensive income. Accordingly, total comprehensive income is the same as profit or loss for the period.

## FINANCIAL STATEMENTS

### Parent Company balance sheet, in summary

SEK m	31 Dec 2023	31 Dec 2022
<b>Assets</b>		
Intangible assets and PPE	2	3
Financial assets	3,290	2,960
<b>Total non-current assets</b>	<b>3,292</b>	<b>2,963</b>
Receivables on Group companies	195	53
Other current receivables	2	6
Cash and cash equivalents	35	4
<b>Total current assets</b>	<b>231</b>	<b>62</b>
<b>TOTAL ASSETS</b>	<b>3,523</b>	<b>3,025</b>
<b>Equity and liabilities</b>		
Equity	1,088	790
Non-current liabilities	1,860	1,774
Liabilities to Group companies	445	266
Other current liabilities	130	195
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,523</b>	<b>3,025</b>

# NOTES

## Note 1 Revenue from contracts with customers

SEK m	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<b>Services transferred over time</b>				
Sweden	791	787	2,737	2,570
Norway	678	680	2,380	1,718
Finland and rest of Europe	165	96	564	222
Unallocated amounts and eliminations	-2	-5	-4	-10
<b>Total</b>	<b>1,631</b>	<b>1,557</b>	<b>5,678</b>	<b>4,500</b>
<b>Goods transferred at a specific point in time</b>				
Sweden	8	32	101	172
Norway	1	30	5	133
Finland and rest of Europe	15	5	47	5
Unallocated amounts and eliminations	0	0	0	-
<b>Total</b>	<b>24</b>	<b>68</b>	<b>152</b>	<b>310</b>
<b>Total revenue from contracts with customers</b>	<b>1,656</b>	<b>1,625</b>	<b>5,831</b>	<b>4,810</b>

# NOTES

## Note 2 Segment reporting

Oct-Dec 2023	Sweden	Norway	Finland and rest of Europe	Unallocated amounts and eliminations	Total
Net sales	800	679	179	-2	1,656
Operating expenses	-743	-597	-134	-22	-1,497
EBITA	57	82	45	-24	159
Amortization of intangible assets	-4	-16	-7	0	-27
<b>Operating profit (loss)</b>	<b>53</b>	<b>66</b>	<b>38</b>	<b>-25</b>	<b>132</b>
Goodwill	768	752	367	0	1,888
Property, plant and equipment	250	628	108	10	997
Investments	8	3	3	0	14
Working capital	-29	280	121	-110	262
Average no. of employees	1,332	898	495	20	2,745

Oct-Dec 2022	Sweden	Norway	Finland and rest of Europe	Unallocated amounts and eliminations	Total
Net sales	819	711	101	-6	1,625
Operating expenses	-744	-609	-86	-19	-1,459
EBITA	76	102	15	-24	166
Amortization of intangible assets	-6	-19	-4	0	-29
<b>Operating profit (loss)</b>	<b>69</b>	<b>83</b>	<b>11</b>	<b>-24</b>	<b>136</b>
Goodwill	698	810	201	62	1,771
Property, plant and equipment	231	585	46	-8	856
Investments	10	25	3	0	38
Working capital	58	119	44	-143	79
Average no. of employees	1,390	849	307	20	2,565

# NOTES

## Note 2 Segment reporting

Jan-Dec 2023	Sweden	Norway	Finland and rest of Europe	Unallocated amounts and eliminations	Total
Net sales	2,838	2,385	610	-4	5,831
Operating expenses	-2,664	-2,144	-469	-40	-5,318
EBITA	174	242	141	-44	512
Amortization of intangible assets	-22	-71	-25	-1	-119
<b>Operating profit (loss)</b>	<b>151</b>	<b>171</b>	<b>116</b>	<b>-45</b>	<b>394</b>
Goodwill	768	752	367	0	1,888
Property, plant and equipment	250	628	108	10	997
Investments	39	49	8	0	97
Working capital	-29	280	121	-110	262
Average no. of employees	1,343	880	461	20	2,704

Jan-Dec 2022	Sweden	Norway	Finland and rest of Europe	Unallocated amounts and eliminations	Total
Net sales	2,742	1,851	227	-10	4,810
Operating expenses	-2,551	-1,602	-205	-45	-4,403
EBITA	191	248	23	-55	407
Amortization of intangible assets	-27	-61	-10	-1	-99
<b>Operating profit (loss)</b>	<b>164</b>	<b>187</b>	<b>13</b>	<b>-56</b>	<b>308</b>
Goodwill	698	810	201	62	1,771
Property, plant and equipment	232	586	46	-8	856
Investments	32	61	4	1	99
Working capital	58	119	44	-143	79
Average no. of employees	1,379	615	131	21	2,145

The Group's segmentation has changed since the most recently published annual report. Sweden then consisted of four regions, where are now reported together as one. All figures for the comparison figures have been restated based on the new segmentation.

# NOTES

## Note 3 Business combinations

Green Landscaping Group carried out three acquisitions in 2023 and a fourth has been announced but not yet completed. In addition, some minor adjustments have been made to the acquisition analyses, primarily having to do with acquired liabilities for companies acquired in 2022 and during Q2 of 2023. The overall impact on the Group's goodwill from the adjustments to the prior acquisition analyses is approximately SEK 4 million. During 2022, a total of eleven acquisitions were completed in Sweden, Norway, Finland and Lithuania. According to agreements on contingent additional consideration, the Group must make additional cash payments based on future results. Contingent consideration to be paid by the Group based on the future results of current and prior year acquisitions is a maximum of SEK 182 (222) million. Additional consideration is based on the terms in the purchase agreement, the company's knowledge of operations and how the current economic climate is expected to impact them. The values in the table on the next page have been discounted to present value and the liability as of the end of the period amounted to SEK 159 (186) million. The fair value of contingent consideration is at Level 3 of the fair value hierarchy in accordance with IFRS. An assessment has been made of how the valuation of the additional consideration is impacted by changes in non-observable inputs or the correlation between them. Assessments made are based on the probability that the performance targets, which are the basis for payment of the additional consideration, will be achieved. Neither changes in unobservable inputs nor their interrelationships has been assessed as having a material impact on the valuation of the additional consideration. Goodwill of SEK 187 (617 on 31 December 2022) million that has arisen from acquisitions represents future economic benefits, but which have not been identified and are reported separately. Tax deductible goodwill amounts to SEK 38 million (compared to SEK 39 million as of 2022-12-31). Acquisition costs for the quarter amounted to SEK 5 (1) million and for the full year to SEK 10 (19) million.

### Acquisitions of companies

Three acquisitions were made in 2023 and a total of 11 acquisitions were made last year.

Company name	Segment	Consolidated as of	Full-year sales	Number of employees
Hartmann Ingenieure GmbH	Finland and rest of Europe	December 2023 (balance sheet)	52	55
Rainer Gartengestaltung und Landschaftsbau GmbH	Finland and rest of Europe	November 2023	37	19
Schmitt & Scalzo Garten- und Landschaftsbau GmbH	Finland and rest of Europe	June 2023	155	43
Markbygg Anläggning Väst AB	Sweden	January 2022	280	60
Rainset OY	Finland and rest of Europe	January 2022	40	13
Hallandsåsens Utemiljö AB	Sweden	February 2022	30	18
Glenn Syvertsen AS	Norway	February 2022	35	14
Aktiv Veidrift AS and Aktiv Veidrift Utleie AS	Norway	May 2022	252	100
Braathen Landskapsentreprenör AS	Norway	September 2022	313	19
Sorex Entreprenad AB	Sweden	September 2022	70	3
H&K Sandnes AS and No Dig Vetsfold AS	Norway	November 2022	148	50
UAB Stebule	Finland and rest of Europe	November 2022	142	330
Taimisto Huutokoski Oy	Finland and rest of Europe	November 2022	38	30
H.T. Vike AS	Norway	December 2022	63	3

Hartmann Ingenieure GmbH was acquired on 28 December. The company's balance sheet is included in the Group's balance sheet as of 31 December. None of the company's earnings are included. As we have not yet received final financial reports for the company as of December 31, the purchase price analysis is preliminary.

The acquisition of Viva Gartenbau AG (Switzerland) was announced during the interim period. In 2022, the company's sales were approximately CHF 3.2 million. The transaction had not yet been fully completed at the date of publication for this interim report. The acquisition analysis for the company has not yet been prepared.

The other acquisition analyses have been confirmed.

# NOTES

## Note 3 Business combinations, cont.

### Effects of acquisitions

The acquisitions have the following effects on the Group's assets and liabilities. None of the acquisitions made in 2023 or 2022 are individually assessed as being significant, which is why the information on acquisitions is at the overall level. All acquisition analyses included in the table, except for Hartmann Ingenieure GmbH, have been confirmed.

SEK m	2023-12-31	2022-12-31
<b>Breakdown of the consideration</b>		
Cash consideration	305	833
Contingent additional consideration	–	186
Remuneration shares	60	171
<b>Total consideration</b>	<b>365</b>	<b>1,190</b>
<b>Acquired assets and liabilities</b>		
Brands	30	128
Customer relations	30	214
Inventories	0	11
Other fixed assets	34	213
Net other assets and liabilities	11	–77
Cash and cash equivalents	98	195
Deferred tax liability	–18	–75
Minority's share	1	–35
<b>Net identifiable assets and liabilities</b>	<b>187</b>	<b>573</b>
<b>Goodwill</b>	<b>178</b>	<b>617</b>
<b>Impact on cash and cash equivalents</b>		
Cash consideration (included in cash flow from investing activities)	–305	–833
Cash and cash equivalents of acquired companies (included in cash flow from investing activities)	98	195
Settled additional consideration (included in cash flow from investing activities)	–12	–90
Acquisition costs (included in cash flow from operating activities)	–8	–19
<b>Total impact on cash and cash equivalents</b>	<b>–228</b>	<b>–747</b>
<b>Impact on net sales and operating profit (loss)</b>		
<b>During the holding period</b>		
Net sales	108	882
Operating profit (loss)	29	98
<b>As of 1 January</b>		
Net sales	281	1,752
Operating profit (loss)	62	191
<b>Additional consideration</b>		
Opening amount	186	110
Discounting	18	2
Added additional consideration	0	171
Revaluation of additional consideration	–27	–9
Paid additional consideration	–12	–90
Exchange rate change	–5	2
<b>Closing amount</b>	<b>159</b>	<b>186</b>

## KEY PERFORMANCE INDICATORS

### KPIS FOR THE GROUP

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Net sales, SEK million	1,656	1,430	1,495	1,250	1,625	1,176	1,134	876	935
EBITA, SEK m	159	128	138	86	166	89	92	61	84
EBITA margin, %	9.6	9.0	9.2	6.9	10.2	7.6	8.1	7.0	8.9
EBITDA, SEK m	221	190	192	137	226	128	122	91	112
EBITDA margin, %	13	13	13	11	14	11	11	10	12
Working capital, SEK m	262	214	131	-16	79	133	140	39	61
Capital employed, SEK m	3,905	3,978	3,922	3,614	3,694	3,093	2,652	2,477	2,361
Return on capital employed, %	12	12	12	12	10	9	9	10	8
Capital employed, not including goodwill, SEK m	2,017	2,080	2,024	1,885	1,923	1,554	1,254	1,139	1,232
Return on capital employed, not including goodwill, %	24	24	24	24	20	19	19	20	16
Equity attributable to the Parent Company's shareholders, SEK m	1,479	1,446	1,394	1,244	1,301	1,137	1,048	988	896
Return on equity, %	15	15	16	18	16	14	13	15	13
Interest-bearing net debt, SEK m	1,975	2,000	1,901	1,681	1,800	1,561	1,277	1,157	1,036
Net debt, not including lease liabilities, SEK m	1,435	1,451	1,388	1,197	1,356	1,198	1,010	906	770
Gearing ratio, times	1.3	1.4	1.3	1.3	1.3	1.5	1.2	1.2	1.2
Net debt/Proforma EBITDA, RTM, times	2.5	2.5	2.4	2.2	2.4	2.7	2.4	2.3	2.4
Equity/assets ratio, %	28	28	27	27	27	27	29	30	28
Number of shares, in thousands	56,672	56,585	55,522	55,395	54,991	54,091	53,300	53,087	52,332
Average no. of employees	2,745	2,758	2,803	2,512	2,565	2,335	2,029	1,665	1,513

#### Reconciliation of KPIs not defined in accordance with IFRS

Green Landscaping Group presents certain financial measures in its interim report that are not defined in accordance with IFRS. It is felt that these measures provide valuable, supplementary information to investors and company management. Accordingly, the measures should be regarded as a supplement, rather than a replacement for measures defined in accordance with IFRS. Because Green Landscaping Group's definitions of these measures might differ from other companies' definitions of the same measures, an explanation of how they are calculated is provided below. For more information on the purpose of each measure, please see "Definitions and explanations" at the end of this report.

	Q3 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
EBITA									
Operating profit (loss)	132	97	108	56	136	64	69	39	61
Amortization and impairment of intangible assets	27	32	30	30	29	25	23	22	23
<b>Total EBITA</b>	<b>159</b>	<b>128</b>	<b>138</b>	<b>86</b>	<b>166</b>	<b>89</b>	<b>92</b>	<b>61</b>	<b>84</b>



## KEY PERFORMANCE INDICATORS

	Q3 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Working capital									
Inventories	80	73	83	86	67	73	56	49	38
Contract assets	220	201	161	138	128	79	70	43	39
Current receivables	1,202	1,048	969	784	1,083	906	778	613	722
Accounts payable - trade	-393	-358	-356	-317	-366	-334	-285	-238	-226
Other liabilities and non-current interest-bearing liabilities	-469	-423	-437	-368	-491	-308	-187	-139	-266
Contract liabilities	-69	-56	-47	-70	-68	-30	-40	-53	-25
Accrued expenses	-309	-271	-296	-268	-274	-254	-251	-235	-221
<b>Total working capital</b>	<b>262</b>	<b>214</b>	<b>77</b>	<b>-16</b>	<b>79</b>	<b>133</b>	<b>140</b>	<b>39</b>	<b>61</b>

	Q3 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Net debt									
Bank overdraft	-7	-	-	-	-	-	-	-	-
Liabilities to credit institutions (non-current)	-1,749	-1,862	-1,908	-1,701	-1,747	-1,440	-1,261	-1,161	-1,043
Lease liabilities (non-current and current)	-540	-549	-513	-485	-445	-363	-266	-252	-266
Liabilities to credit institutions (current)	-95	-87	-77	-77	-84	-77	-77	-77	-79
Cash and cash equivalents	416	498	597	581	476	320	327	332	352
<b>Total Net debt</b>	<b>-1,975</b>	<b>-2,000</b>	<b>-1,901</b>	<b>-1,681</b>	<b>-1,800</b>	<b>-1,561</b>	<b>-1,277</b>	<b>-1,158</b>	<b>-1,036</b>

	Q3 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
EBITA									
EBITA for the quarter	159	128	138	86	166	89	92	61	84
Total, last 4 quarters	512	518	479	432	407	325	305	278	232
<b>Total EBITA RTM</b>	<b>512</b>	<b>518</b>	<b>479</b>	<b>432</b>	<b>407</b>	<b>325</b>	<b>305</b>	<b>278</b>	<b>232</b>

	Q3 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Earnings per share									
Profit (loss) for the period attributable to the Parent Company's shareholders	94	48	39	35	77	48	43	14	32
Average number of shares	56,672,655	56,585,254	55,522,240	55,394,717	54,991,226	54,091,132	53,299,819	53,086,903	52,332,330
Basic earnings per share, SEK	1.66	0.84	0.70	0.63	1.41	0.89	0.81	0.27	0.61
Diluted earnings per share, SEK	1.66	0.84	0.70	0.61	1.40	0.88	0.81	0.27	0.60

## KEY PERFORMANCE INDICATORS

### QUARTERLY OVERVIEW PER SEGMENT

	Q3 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Net sales									
Sweden	800	610	725	703	819	639	687	597	651
Norway	679	598	608	500	711	479	391	270	255
Finland and rest of Europe	179	222	162	47	101	58	58	10	35
Unallocated amounts and eliminations	-2	-1	0	-1	-6	1	-3	-2	-6
<b>Total net sales</b>	<b>1,656</b>	<b>1,430</b>	<b>1,495</b>	<b>1,250</b>	<b>1,625</b>	<b>1,176</b>	<b>1,134</b>	<b>876</b>	<b>935</b>

	Q3 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
EBITA									
Sweden	57	21	39	57	76	29	43	43	44
- EBITA margin, %	7.1	3.4	5.4	8.1	9.2	4.6	6.3	7.2	6.8
Norway	82	57	66	37	102	59	51	37	47
- EBITA margin, %	12.0	9.5	10.9	7.4	14.3	12.3	13.1	13.5	18.4
Finland and rest of Europe	45	56	44	-5	15	7	5	-4	5
- EBITA margin, %	25.3	25.2	27.4	-9.8	14.5	12.9	8.8	-42.9	12.8
Unallocated amounts and eliminations	-24	-5	-11	-3	-26	-7	-7	-14	-12
<b>Total EBITA</b>	<b>159</b>	<b>128</b>	<b>138</b>	<b>86</b>	<b>166</b>	<b>89</b>	<b>92</b>	<b>61</b>	<b>83</b>
<b>- EBITA margin, %</b>	<b>9.6</b>	<b>9.0</b>	<b>9.2</b>	<b>6.9</b>	<b>10.2</b>	<b>7.6</b>	<b>8.1</b>	<b>7.0</b>	<b>8.9</b>

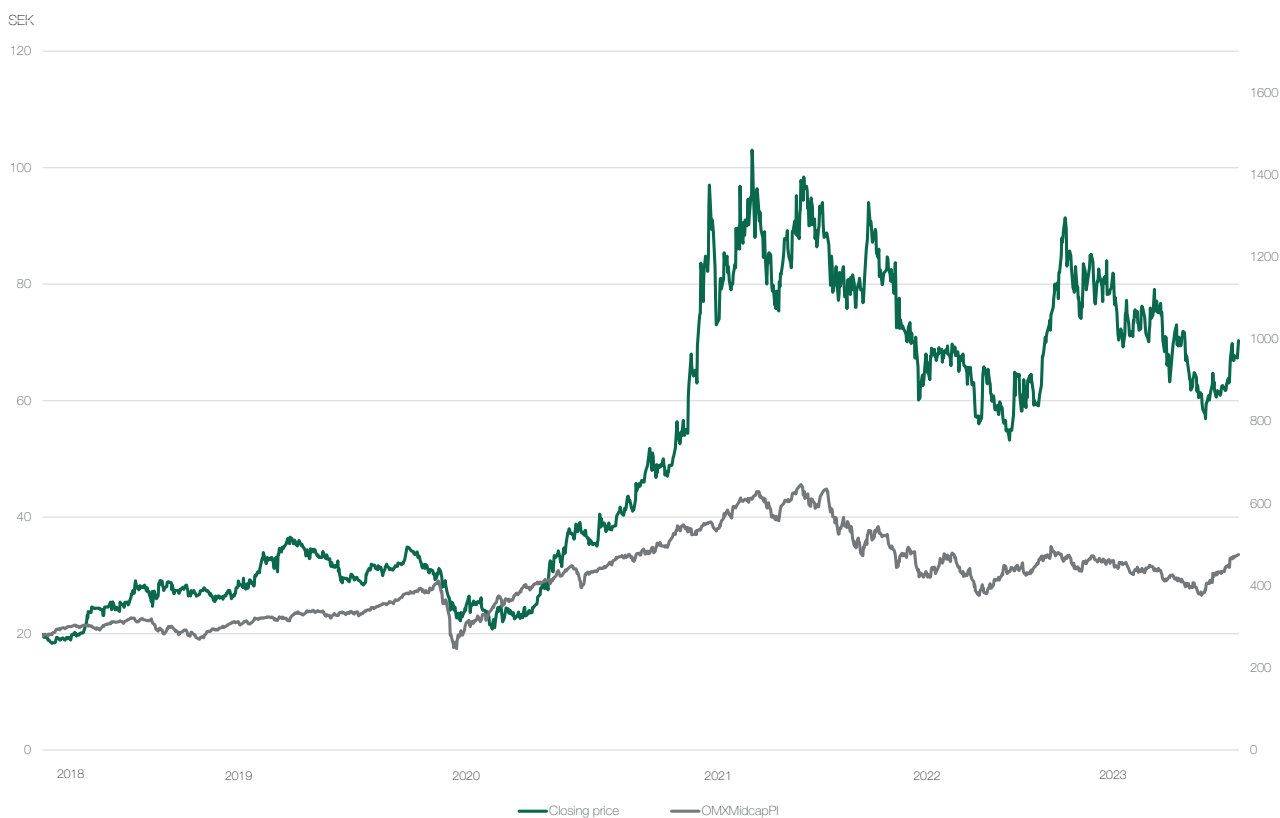
## SHARE AND SHAREHOLDERS

Green Landscaping Group AB (publ) had 3,976 known shareholders as of 30 December 2023. The company has a series of ordinary shares listed on Nasdaq Stockholm.

As of 30 December 2023 there were 56,799,575 registered shares. Market Cap as of 30 December 2023 was SEK 3,993 million compared to SEK 3,820 million on 30 September 2023.

Largest shareholders as of 31 December 2023	No. of shares	% of equity
Salén family via company	9,032,298	15.9%
Byggmästare Anders J Ahlström Holding AB	9,030,123	15.9%
Johan Nordström via company	3,681,536	6.5%
AFA Försäkring	3,611,339	6.4%
Handelsbanken Fonder	2,380,922	4.1%
Capital Group	1,977,759	3.5%
ODIN Fonder	1,650,000	2.9%
Paul Gamme via companies	1,174,431	2.1%
SilverCross Investment Management B.V.	1,086,453	2.0%
Amiral Gastion	1,101,421	2.0%
<b>Total, 10 largest shareholders</b>	<b>34,726,282</b>	<b>61.3%</b>
Other shareholders	22,073,293	38.7%
<b>Total</b>	<b>56,799,575</b>	<b>100%</b>

Green Landscaping Group: 23 March 2018 - 29 December 2023, closing price, share, SEK



During the trading day 03-23-2018 and 06-08-2018, 2.9 respective 10.1 million shares was traded.

## ASSURANCE

The CEO gives assurance that the interim report provides a true and fair overview of the Group's and Parent Company's operations, financial position and earnings, along with describing the material risks and uncertainties faced by the Parent Company and companies belonging to the Group.

Stockholm, 8 February 2024

Johan Nordström  
CEO

This report has not been subject to review by the company's auditors.

## OTHER INFORMATION

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 8 February 2024 at 07.00 CEST.

### Language

In case of any discrepancies or deviations between the English and Swedish versions of this report, the Swedish shall prevail.

### Totals and rounding

The totals shown in the tables and calculations are not always exact sum of the various parts due rounding differences. The goal is that each figure should correspond to the source, which is why rounding differences could arise.

### More information

Magnus Larsson, Head of Investor Relations, magnus.larsson@glgroup.se, phone +46 (0) 70 270 52 83

## PRESENTATION OF THE REPORT

Green Landscaping Group CEO Johan Nordström and CFO Carl-Fredrik Meijer will present the report in a teleconference/audiocast on 8 February at 09:00 CET. The presentation will be held in English.

If you would like to participate in the webcast, please visit the link below.

<https://ir.financialhearings.com/green-landscaping-group-q4-report-2023>

If you would like to participate in the teleconference, you will need to register via the link below. Once you have registered, you will receive the phone number and a conference ID for logging in. There are opportunities for asking questions via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=50047316>

## DEFINITIONS AND EXPLANATIONS

General	All amounts shown in tables are in SEK million, unless otherwise stated. All values in parentheses () are comparison figures for the same period last year, unless otherwise stated.	
Key performance indicators	Definition/calculation	Purpose
EBITA	Operating profit (loss) before amortization and impairment of intangible assets.	EBITA is used to gauge the company's operating profitability.
EBITA margin	Operating profit (loss) before depreciation, amortization and impairment of acquisition-related intangible assets as a percentage of net sales.	EBITA margin is a measure of operating profitability.
EBT	Earnings before tax.	Earnings before tax provides an overall indication of the profit that was generated before tax.
Order backlog	This is the amount of contracts not yet delivered including possible contract extensions.	It provides an indication of the company's future performance.
Organic growth	Change in fixed currency for comparable units	It shows how current operations are performing.
Working capital	Current assets not including cash and cash equivalents, less current liabilities.	Working capital is used to measure the ability to meet short-term capital requirements.
RTM	Rolling 12-month period, which means cumulative over the last four quarters.	Shows the performance over the last 12 months.
Return on equity	Total earnings RTM in relation to average equity	Shows the company's return on the owners' investments.
Equity/assets ratio	Equity in relation to total assets	Shows the percentage of assets financed by equity. Facilitates an assessment of the Group's long-term solvency.
Capital employed	Total assets at the end of the period less non interest-bearing operating liabilities and provisions.	Measures capital usage and efficiency.
Capital employed, not including goodwill	Total assets, not including goodwill, at the end of the period less non interest-bearing operating liabilities and provisions.	Measures capital usage and efficiency.
Return on capital employed, incl./not incl. goodwill	Operating profit plus financial income for the most recent 12-month period as a percentage of average capital employed not incl./incl. goodwill.	Shows the Group's return, independent of financing.
Net debt	Interest-bearing liabilities less cash and cash equivalents.	Net debt indicates the financial position.
Net debt / proforma EBITDA , RTM	Net debt as a percentage of proforma EBITDA RTM.	Intended to show the financial risk and facilitate an assessment of the level of indebtedness.
Net debt not including lease liabilities	Net debt not including lease liabilities.	Shows the financial position, not including leases.
Gearing ratio	Net debt in relation to equity, including minority interest.	This figure is reported to show our financial position.



### A home for entrepreneurs

Green Landscaping Group is a home for entrepreneurs. The service areas it is involved in are landscaping and construction, ground maintenance and snow & ice removal.

It is becoming multi-national, with the spirit of small company entrepreneurship by acquiring successful companies with these qualities: skilled in their trade and professionally run, sound values and a track record of high profitability. Entrepreneurial spirit is a central theme in the Green Landscaping family. Once acquired, companies run their business as before, yet with the benefits of a larger group and access to a network of colleagues working in the same field, along with more opportunities to develop on a professional level. They become part of an environment with access to the larger company's resources. As the Group grows and develops, benefits flow to customers, employees and owners alike.

The Group has a long-term perspective and the companies that belong to it have a home here.

### Business model

The market for outdoor environments is fragmented and locally anchored, with long-term customer relationships and a high level of repeat business. Companies typically have very strong ties in the communities where they do business and have established working methods and structures over a long period

of time, giving them a strong identity. Retaining and continuing to nurture that is thus a key element of Green Landscaping's decentralized operational model and subsidiaries have full commercial responsibility and great freedom to run the business under their own brand. The model is based on a high level of trust and freedom with responsibility. The Group and region levels exist primarily to support the individual companies. Collaboration between companies in the Group is encouraged, although it happens at their own initiative. Where synergies have been identified, it is also up to the companies themselves whether or not to act on them, if they feel the commercial prerequisites exist.

Green Landscaping Group conducts business in Sweden, Norway, Finland, Lithuania and Germany. Green Landscaping's stock became listed on Nasdaq First North under the ticker "GREEN" in March 2018. In April 2019, Green Landscaping Group changed its marketplace to Nasdaq Stockholm Small Cap and since January 2022, its shares have been traded on Nasdaq Stockholm Mid Cap.

### Contact information

#### COMPANY ADDRESS

Green Landscaping Group AB  
Biblioteksgatan 25  
114 35 Stockholm

#### CORPORATE IDENTITY NUMBER

556771-3465

### Financial calendar

#### 2024

Annual and sustainability report 2023	end of March
Interim report, Q1 2024	25 April
Interim report, Q2 2024	23 August
Interim report, Q3 2024	25 October