

Q1 Report

January – March 2023

11 May 2023

Green Landscaping Group - a home for entrepreneurs

- ▶ A leading company in the landscaping service industry
- ▶ The leading consolidator in Europe
- ▶ Business model based on trust and local accountability to promote agility
- ▶ Focus on strong local presence and identity
- ▶ Net sales of SEK 5.2 billion last 12 months, with an EBITA margin of 8.3%



Summary Q1 2023

- ▶ Continued successful development in an attractive market
- ▶ Net sales increased by 43% to SEK 1,250 (876) million
 - ▶ Organic growth of 12%
 - ▶ Acquisitions contributed by +33%
- ▶ EBITA increased by 41% and amounted to SEK 86 million (61)
- ▶ EBITA-margin of 6.9% (7.0) in the quarter
 - ▶ Seasonally weakest quarter
 - ▶ Negative mix effect from acquired companies
 - ▶ Good contribution from existing businesses
- ▶ Strong cash flow from operating activities, SEK 221 million (148)
- ▶ Additional financing secured
- ▶ New segment reporting structure



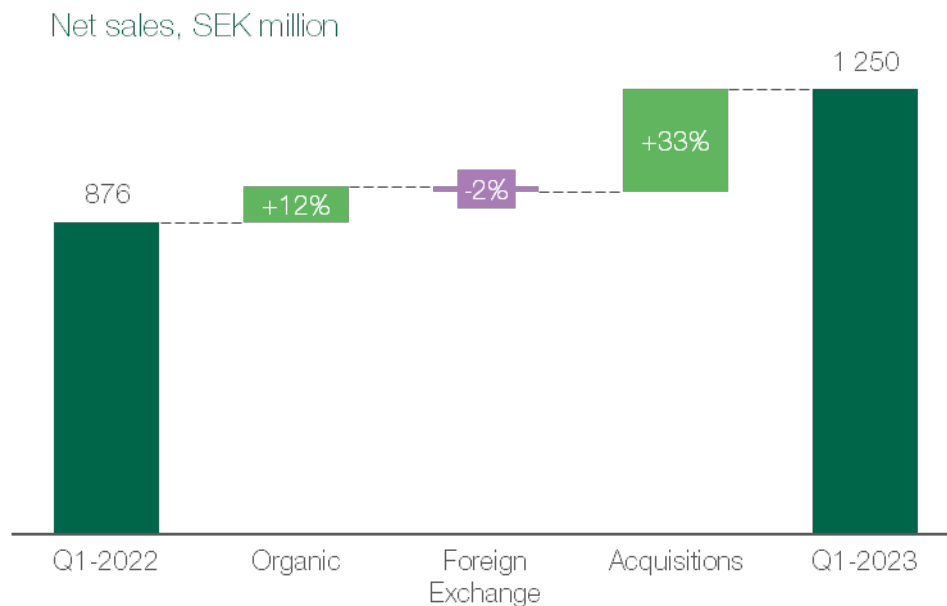
Strong growth in the quarter, and over time

Strong growth in the quarter

- ▶ Net sales Q1 43%
- ▶ Organic growth 12%
- ▶ Acquired growth 33%

Strong long-term growth

- ▶ Net sales last 12 months 53%
- ▶ Organic growth 11%
- ▶ Acquired growth 44%

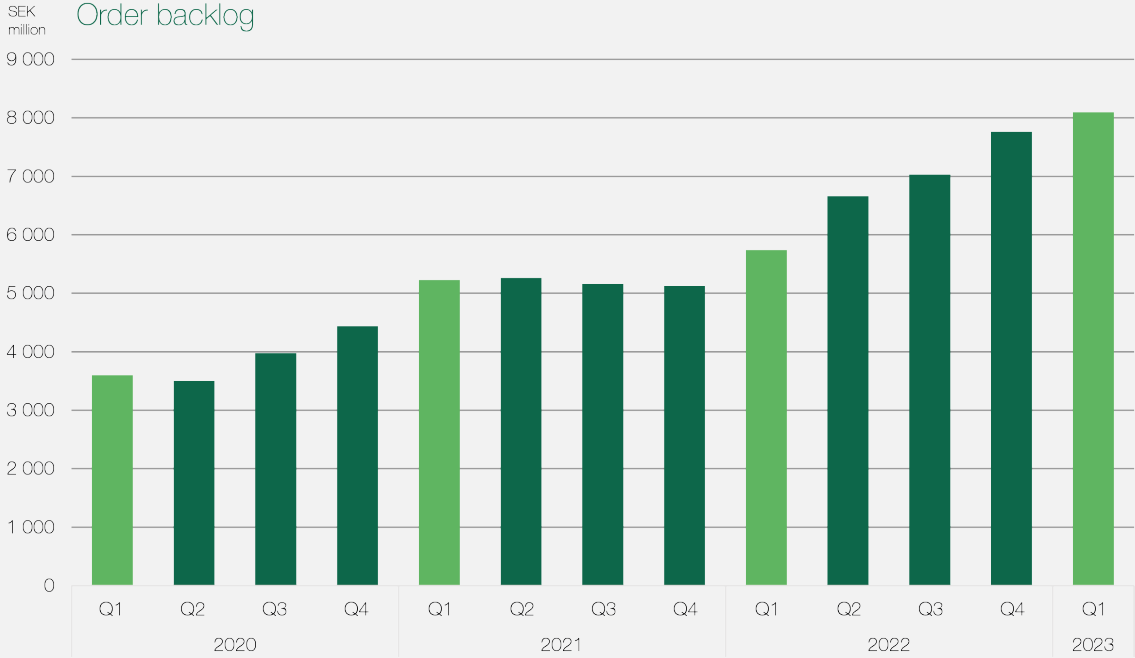


Order backlog increased to SEK 8.1 billion

Growth of 41% compared with Q1 2022

Increase attributable to acquisitions and new contracts. High retention rate.

Majority of order book consists of contracts with public sector customers



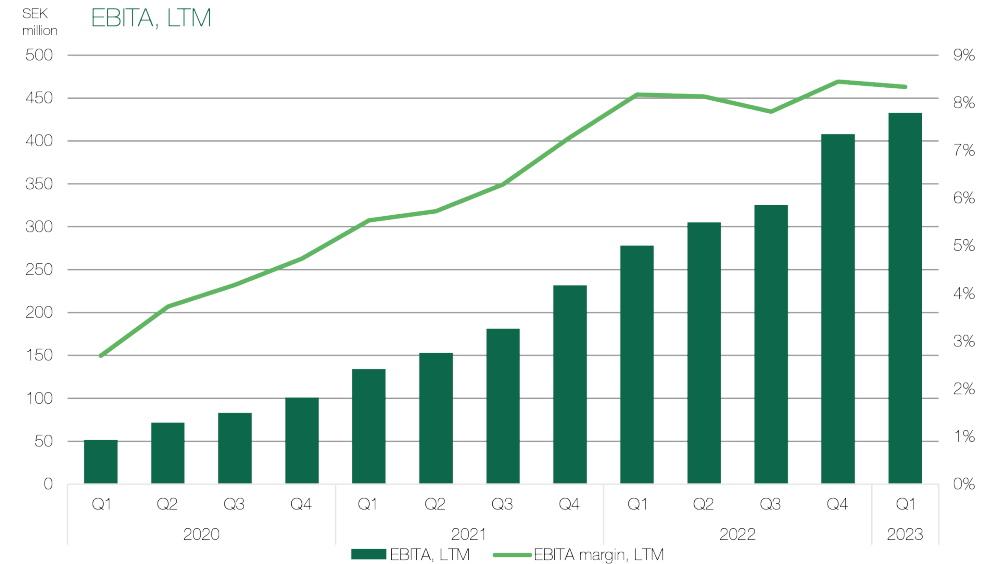
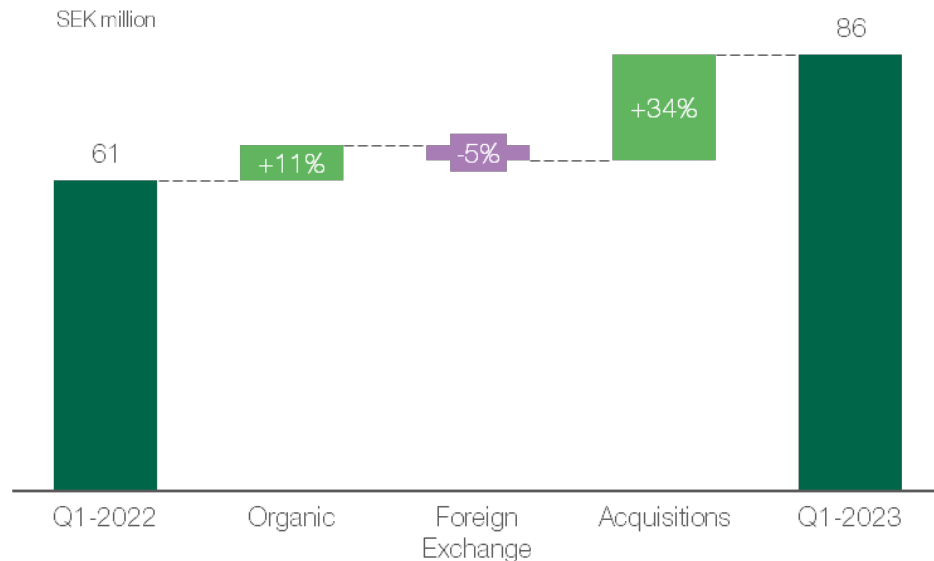
Steady increase of EBITA and EBITA-margin

Strong growth in the quarter, +41%

- ▶ Existing businesses increased EBITA by 11%
- ▶ Acquired companies contributed with 34%

Steady growth over time
(rolling 12 months)

- ▶ EBITA growing consistently
- ▶ EBITA margin at 8.3%



Sweden

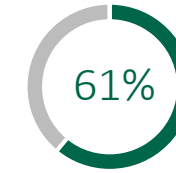
- ▶ Net sales SEK 703 (597) million, +18%
 - ▶ Organic growth contributed 9%
 - ▶ Acquisitions contributed 9%
- ▶ EBITA SEK 57 (43) million, +33%
 - ▶ EBITA-margin 8.1% (7.2)

Net organic sales was positively impacted by good demand and indexation of prices. Snowfall in the northern part of Sweden was higher than normal.

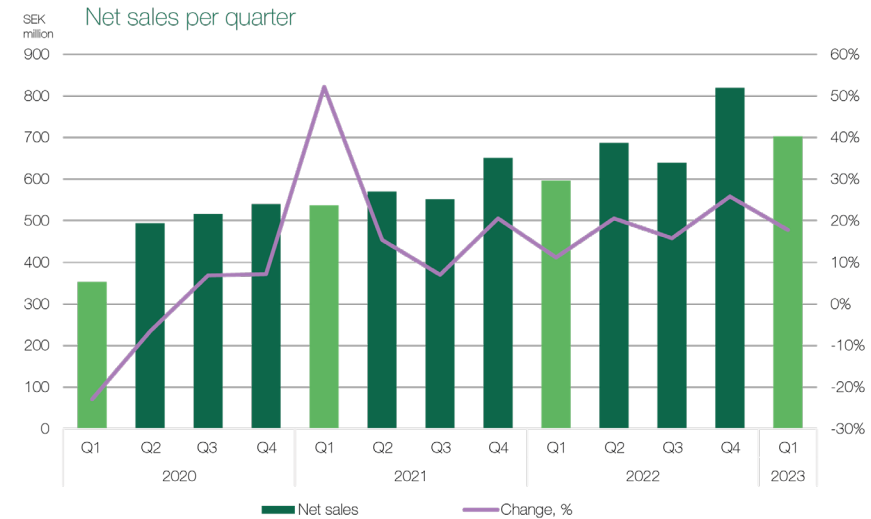
Significantly improved profit margins by existing companies. Rising costs compensated for via indexation adjustments.



Share of net sales



Share of EBITA

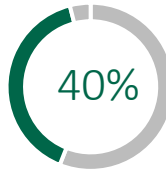


Norway

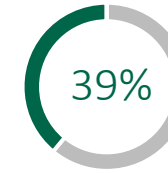
- ▶ Net sales SEK 500 (270) million, +85%
 - ▶ Organic growth contributed 20%
 - ▶ Acquisitions contributed 71%
 - ▶ Changed exchanged rates contributed -6%
- ▶ EBITA SEK 37 (37) million, 0%
 - ▶ EBITA-margin 7.4% (13.5)

High organic growth was attributable to both indexation adjustments, and new contracts won. Acquisitions accounted for the majority of growth.

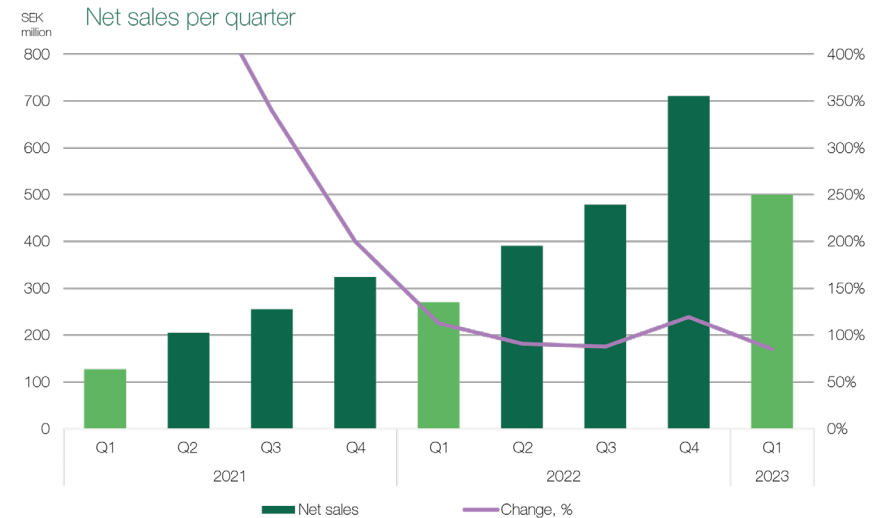
The EBITA margin weakened primarily due to mix and seasonal effects. Acquired companies have profit margins in line with the Group goal and diluted the margin for the segment. In addition, some companies also have a low level of activity in the first quarter, which leads to a more prominent seasonal pattern.



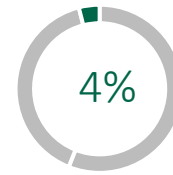
Share of net sales



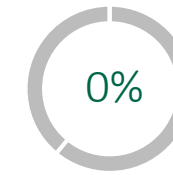
Share of EBITA



Finland and Baltic



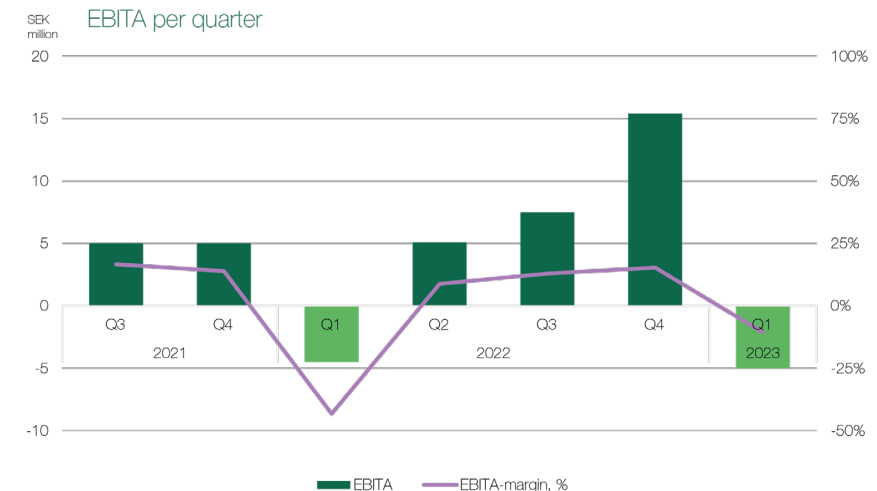
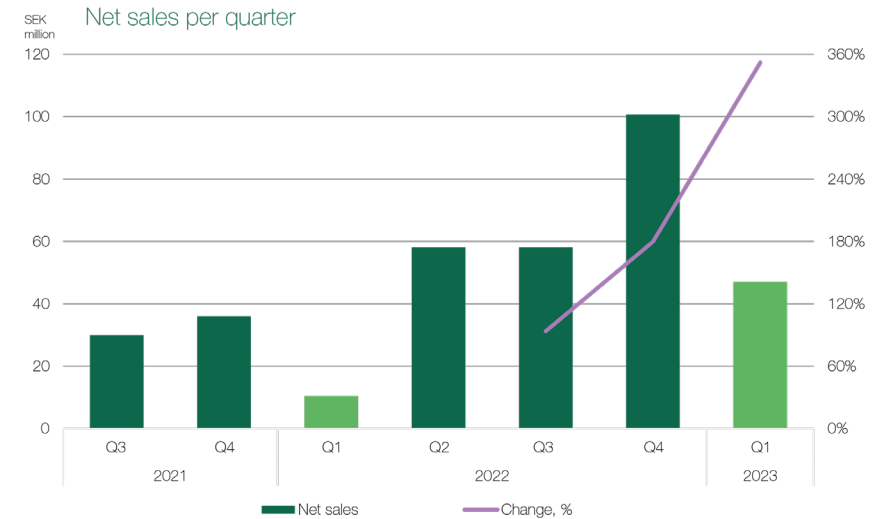
Share of net sales



Share of EBITA

- ▶ Net sales SEK 47 (10) million, +354%
 - ▶ Organic growth contributed 10%
 - ▶ Acquisitions contributed 338%
 - ▶ Changed exchanged rates contributed 6%
- ▶ EBITA SEK -5 (-4) million, -25%
 - ▶ EBITA-margin -9.8% (-42.9)

The companies in Finland are landscaping service providers, with limited snow and ice removal activities. The Lithuanian company, UAB Stebule, was off to a good start and has operations year-round, with sales and profitability more evenly distributed across each quarter of the year.



Financials



Strong development across the line

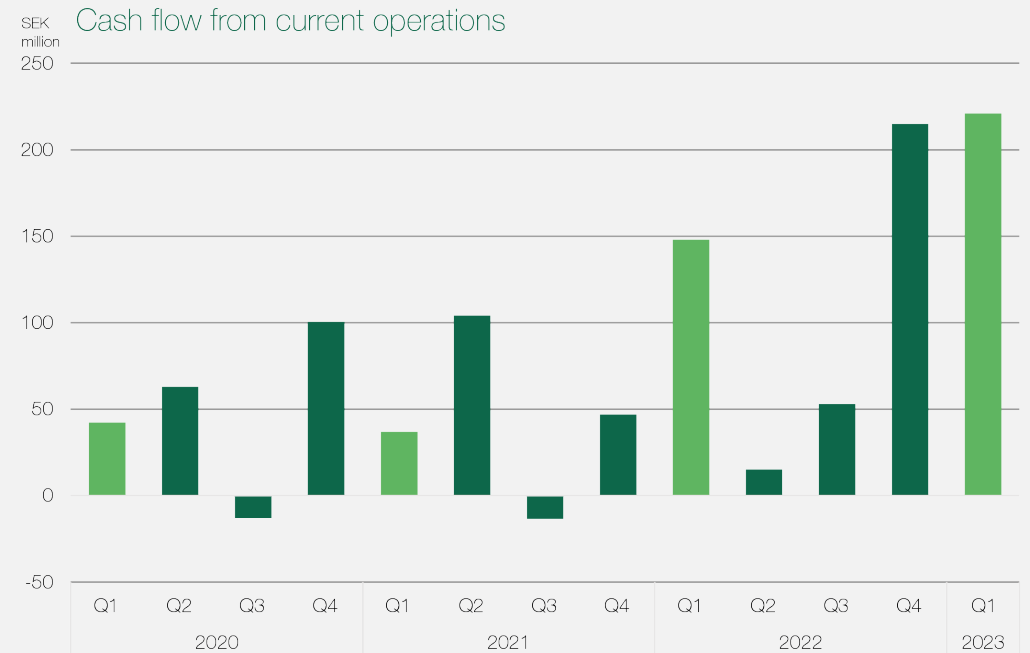
- ▶ Net sales increased significantly
- ▶ EBITA increased and EBITA-margin on par
- ▶ Record-strong cash flow
- ▶ Increased return on equity
- ▶ Solid order backlog
- ▶ Earnings per share increased significantly
- ▶ Financial leverage in line with target

Key financials Q1 2023

SEK million	Q1 2023	Q1 2022	FULL YEAR 2022
NET SALES	1,250	876	4,810
EBITA	86	61	407
EBITA-MARGIN, %	6.9	7.0	8.5
CASH FLOW FROM OPER. ACTIVITIES	221	148	431
RETURN ON EQUITY, %	18	13	16
ORDER BACKLOG	8,091	5,739	7,762
EARNINGS PER SHARE	0.63	0.27	3.39
FINANCIAL LEVERAGE	2.2x	2.3x	2.4x

Cash flow

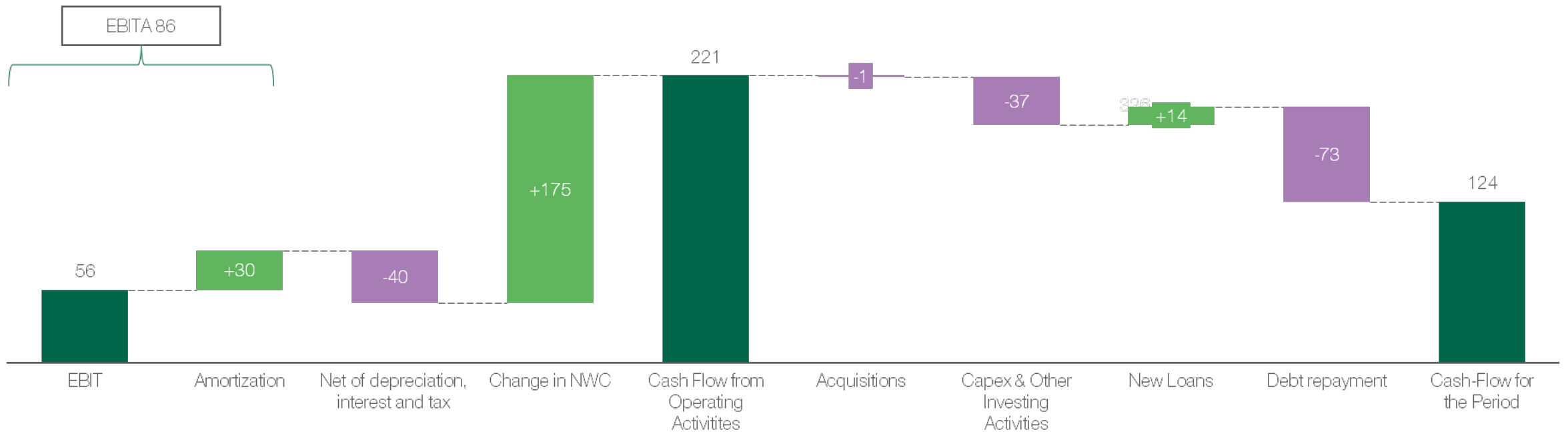
- ▶ Record-strong cash flow from operating activities, amounting to SEK 221 (148) million
- ▶ EBITA contributed positively
- ▶ Change in working capital had a significant effect resulting from lower accounts receivable
- ▶ Cash and cash equivalents at the end of the period amounted to SEK 581 (332) million



Cash Flow Bridge

Strong contribution from lower NWC

SEK million



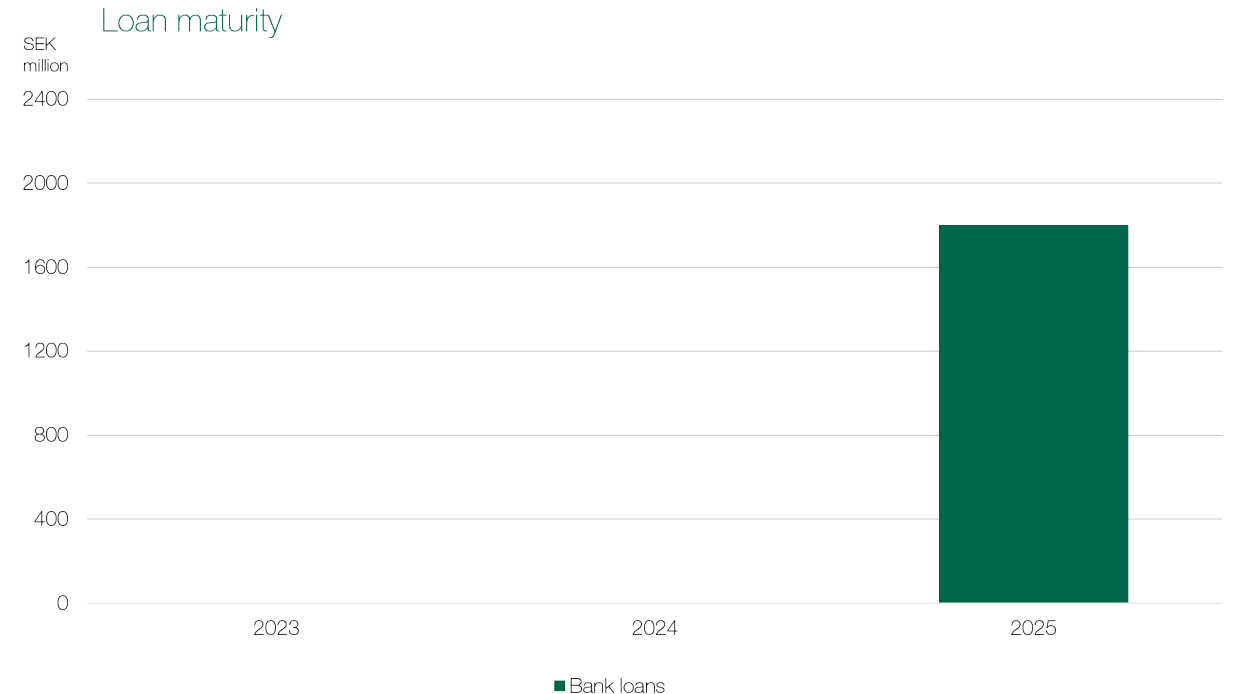
Financial leverage

- ▶ Financial leverage amounted to 2.2X (2.3X)
- ▶ Level below financial target
- ▶ Strong generation of cash flow from operating activities



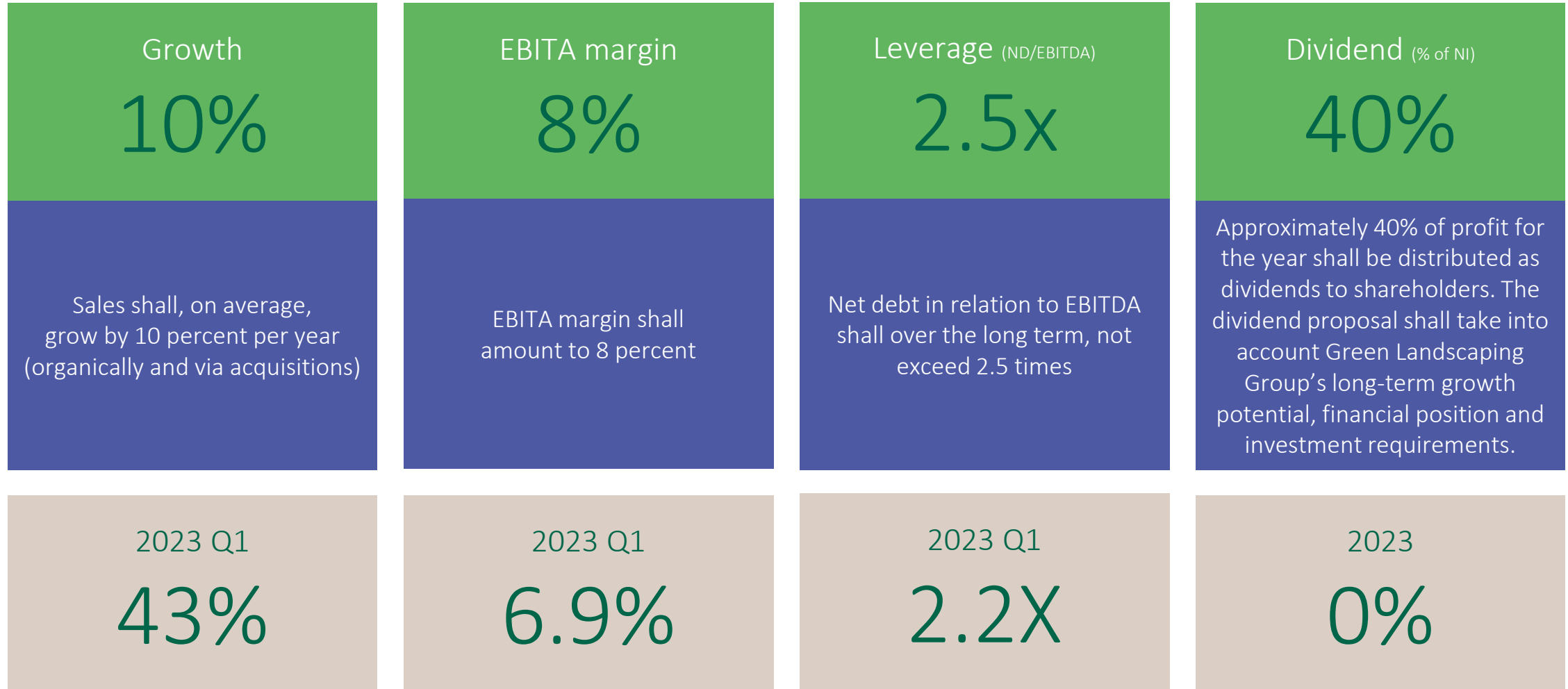
Loan maturity profile

- ▶ New loan facility with SEK amounting to SEK 500 million, with possibility to expand*
- ▶ Total maturities amounting to about SEK 1,800 million
- ▶ No maturities until 2025, one year extension optional
- ▶ Only covenant being Net debt / EBITDA pro forma. Current level of 2.2 leaves plenty of headroom



*New loan agreement with Svensk Exportkredit (SEK) signed subsequent to the interim period

Financial targets



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