



PRESS RELEASE

11 May 2023, 07:00 CEST

Green Landscaping Group (publ) Interim report January-March 2023

January-March 2023

- Net sales amounted to SEK 1,250 (876) million.
- Growth was 43 percent, of which organic growth amounted to 12 percent.
- EBITA increased by 41 percent to SEK 86 (61) million.
- EBITA margin amounted to SEK 6.9 (7.0) percent.
- Cash flow from operating activities amounted to SEK 221 (148) million.
- Basic earnings per share were SEK 0.63 (0.27).
- Diluted earnings per share were SEK 0.63 (0.27).

* Earnings per share was positively affected by currency revaluations with net SEK 21 (-6) million.

CEO comments

Green Landscaping Group continued to make progress in the first quarter. Net sales increased by 43 percent and profitability, expressed as EBITA margin, reached 6.9 percent. In addition to that, we had a record-strong cash flow.

We are successful in an attractive market

Winter conditions prevail in the first quarter, which is low season for many of our companies. The demand for ground maintenance during this time of year is limited, but compensated to some extent by winter and ice removal activities. In every season of the year however, these services are necessary and independent of economic fluctuations. The nature of the market is stable, thereby enabling both us and our customers the ability to make plans that stretch over the long term. Given the level of political, economic and other challenges and crises in the world around us, not least the war in Ukraine, it is comforting to be doing business in a market that is relatively stable and predictable. For landscaping and construction activities however, the conditions are somewhat different and although we approach the high season with high order backlog, the signals we are getting from customers concerning the fall are a bit more uncertain. We monitor the development closely. Over the long term, the macro trends of urbanization, population growth and a general increase in demand for better outdoor environments with a focus on sustainability still prevail.

Green Landscaping Group delivered strong growth also in the first quarter. Net sales increased by 43 percent to SEK 1,250 million. Organic growth was 12 percent, which is attributable to indexation adjustments included in our customer contracts, as well as new agreements that were signed. Our



newly acquired companies contributed with 33 percent and changed exchange rates had an impact of –2 percent.

EBITA amounted to SEK 86 (61) million and the EBITA margin was 6.9 (7.0) percent. Many of our subsidiaries are continuing to deliver good results and it is once again particularly satisfying to see the improvement in our handful of Swedish companies that have been struggling with lower profitability for a long time. A change to the mix had a negative impact on profitability in Norway, and the Lithuanian company UAB Stebule has gotten off to an impressive start with us, making a significant contribution to the Finland and Baltic segment. The Group's EBITA margin for the most recent 12 months amounted to 8.3 percent, thus exceeding our financial target of 8 percent.

Cash flow from operating activities was record-strong, amounting to SEK 221 (148) million, which is attributable to our high earnings and lower need for working capital. Net debt has thus declined compared to year-end 2022 and net debt in relation to EBITDA pro-forma RTM amounted to 2.2 (2.3) times, which is well under our financial target of 2.5 times.

We benefit from the tougher conditions in the M&A market

Our efforts to bring additional companies into the Group have continued behind the scenes, as we simultaneously have put much effort into making sure that our newest acquisitions get off to a good start with us. It's been much needed, given the intensity of our activities towards the end of last year, when we made 4 acquisitions, and a total of 11 for the full year. The conditions in the acquisition market have changed, stemming in part from higher interest rates than what we've seen in many years and recent turbulence in the finance market. What we've noticed is that many of the competitors we have encountered in the M&A market in recent years are now keeping a lower profile. The decision we made several years ago to take a rather conservative approach with our level of indebtedness is paying off today. We have continuously been able to generate a profit and positive cash flow. We also have strong cash reserves, an increased loan facility and debt to equity level that is the lowest it has been in many years, all of which makes us well equipped to pursue further expansion via acquisitions. We have many exciting candidates on our list and are pursuing a dialog with several of them. We are thus ready, willing and able for all that lies ahead. Given how hard and methodically we have worked to get where we are today, I feel that our position and success, despite all the uncertainty in the surrounding world, is deserved and it offers us the prerequisites for continued growth and success.

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 11 May 2023 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 11 May 2023 at 09:00 CEST. 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-q1-2023>

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=200755>

For more information:

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Green Landscaping Group AB (publ) is a home for entrepreneurs. The service areas it is involved in are landscaping and construction, ground maintenance and snow & ice removal. The Group has more than 2 000 employees and net sales amounted to SEK 4.8 billion. The shares are listed on Nasdaq Stockholm with the ticker GREEN. For more information visit www.glgroup.se.