



Our vision is to
create a green city
for all through
entrepreneurship,
social responsibility
and sustainable
business

Our vision put into practice

- **A green city for all:** Green areas are crucial for the well-being in cities
- **Entrepreneurship:** Strong local market leadership with every unit running its own day-to-day operations
- **Social responsibility:** A passion for the environment that is visible to the eye, and engagement in a well-functioning society through work integration projects
- **Sustainable business:** Long and stable customer relationship and focus on quality throughout our operations



The #1 landscaping service provider in Sweden



Green Landscaping in brief

- ▶ 16 units distributed over 5 geographic segments
- ▶ Populous & diversified contract portfolio
- ▶ Market leading profitability
- ▶ M&A strategy creating additional growth



en del av Green Landscaping



en del av Green Landscaping

Our service offering

Ground maintenance & Landscaping



- ▶ Maintenance services for parks, gardens and green areas, as well as snow removal and gritting

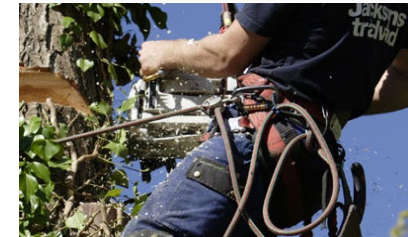
- ▶ Surface planning, surface design, lighting design, renovation of parks, assembly of playgrounds and other facilities

Sports Landscaping



- ▶ Products and maintenance for outdoor and indoor sports, including golf courses and football fields

Arborist services



- ▶ Planting, tree removal, tree pruning, wood-chip handling

Who we are

- Making cities enjoyable and green
- Long customer relationships
- An organisation based on local business and accountability
- A culture based on quality
- Always creating customer benefits



Q1 2019



Q1 2019 highlights

Development

- ▶ Stable development in low-season quarter
- ▶ Better conditions for landscaping and sports landscaping than last year
- ▶ Organic growth of 12.7 percent, or 5.7 percent if adjusted for seasonal variations in sports landscaping
- ▶ Integration of Svensk Markservice well underway and already supporting profitability
- ▶ Change of listing venue to Nasdaq Stockholm after the end of the quarter

Financials

Net sales

1,180

SEKm

Net sales growth

109.5

%

Adjusted EBITA

1.3

SEKm

Adjusted EBITA margin

0.3

%

Order book

3,597

SEKm

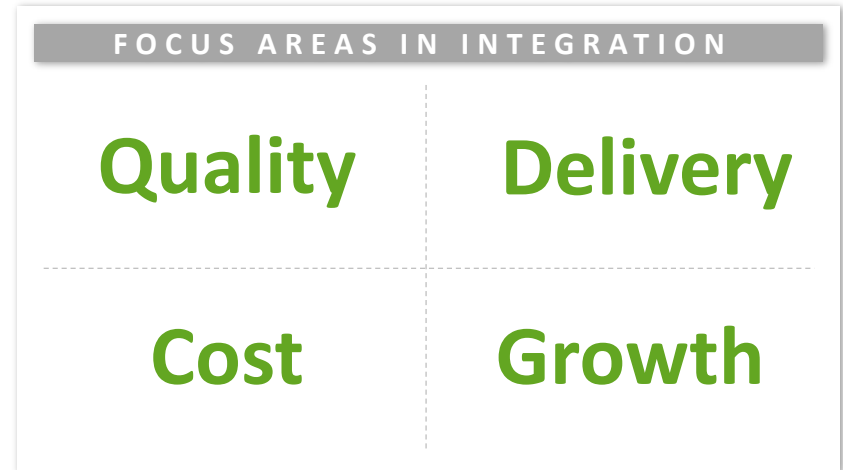
Employees

965



Integration of Svensk Markservice

- ▶ Acquisition completed in late November 2018
- ▶ *Lean Manufacturing* instrumental in integration work
- ▶ Integration costs of approximately SEK 10 million impacted the quarter
- ▶ Total annual run rate cost synergies are estimated to be approximately SEK 25 million, expected to be fully realized by the end of 2020
- ▶ EPS contribution expected in 2019



Segment development

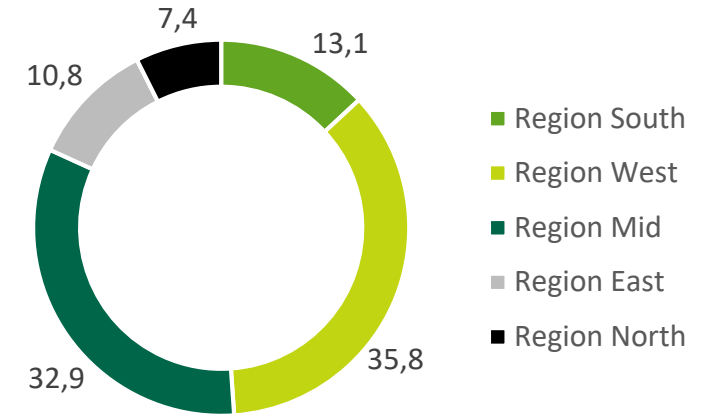


- ▶ High growth in all segments driven by acquisitions
- ▶ Favourable market conditions
- ▶ Margins impacted by seasonality
- ▶ New contracts in the quarter: Umeå municipality, Kungälv municipality, Vallentuna municipality, Helsingborgshem, SISAB and extended contract with Akelius Bostäder

Seasonality

For Green Landscaping's operations, the first quarter of the year is low season. Sales are lower then, which has a negative impact on earnings. The level of activity increases starting in April and through to the end of the year. The highest sales and earnings are typically generated in the fourth quarter, because that is when the year's projects are wrapped up.

SALES PER SEGMENT (%)



SEKm	Sales Q1 2019 (2018)	Adj. EBITA Q1 2019 (2018)
Region South	60.5 (31.1)	-0.5 (1.5)
Region West	164.9 (102.6)	2.2 (1.1)
Region East	151.4 (69.7)	-2.3 (-0.6)
Region Mid	49.5 (19.6)	-1.3 (3.9)
Region North	33.9 (-)	4.7 (-)

Financials

Key P&L items

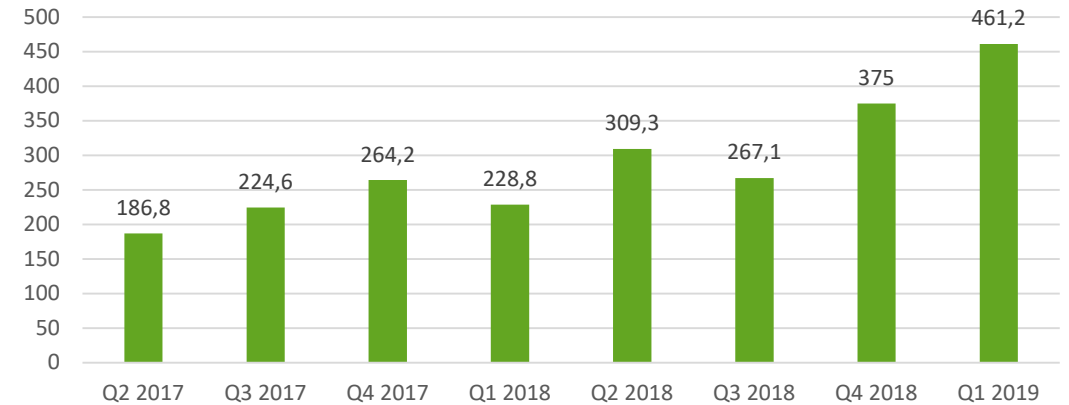


P&L

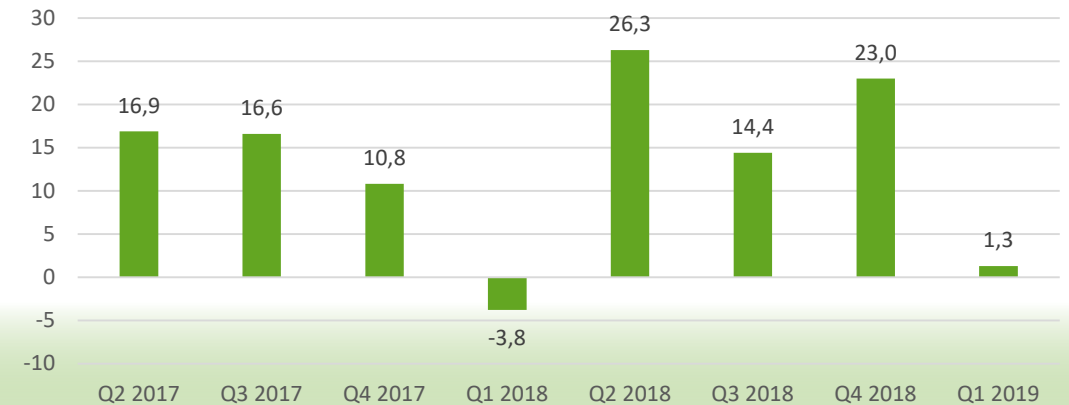
SEKm	Q1 2019	Q1 2018
Net sales	461.3	219.4
Adj. EBITA	1.3	-3.8
Result after financial items	-24.9	-27.6
Adj EBITA margin	0.3%	-1.7%
Non-recurring items	14.1	16.3

Sales & profitability development

NET SALES (SEKm)



ADJUSTED EBITA (SEKm)



Balance sheet



Balance sheet

SEKm	31 March 2019	31 March 2018
Total non-current assets	862.0	270.3
Total current assets	525.5	345.1
Total assets	1,387.5	615.4
Total equity	180.9	171.1
Total provisions	79.0	33.3
Total non-current liabilities	639.1	142.4
Total current liabilities	488.5	268.6
Total equity and liabilities	1,387.5	615.4

- ▶ Net debt SEK 663.2 million (of which 126.5 million due to IFRS 16)
- ▶ Cash and available facility of SEK 119 million
- ▶ Working Cap SEK 23.2 million (1.3%)

Cash flow



Cash flow

SEKm	Q1 2019	Q1 2018
Cash flow from operating activities before changes in working capital	-1.0	-4.6
Cash flow from operating activities	21.8	0.6
Cash flow from investing	-3.1	-5.2
Cash flow from financing	-22.3	58.9
Cash flow for the period	-3.6	54.3
Cash and cash equivalents at the end of the period	92.7	88.0

- ▶ Positive cash flow from operating activities despite NRI of SEK 14.1 million

Financial targets



Financial targets

Growth
10%

- ▶ **Target:** Sales growth on average by 10% per year (including both organic and acquisitions).
- ▶ **Status:** Exceeding target in Q1. Good M&A pipeline and conditions for organic growth.

EBITA margin
8%

- ▶ **Target:** Achieving an EBITA margin of 8%.
- ▶ **Status:** Improvement of 2 percentage points in Q1.

Leverage (ND/EBITDA)
2.5x

- ▶ **Target:** Net debt in relation to EBITDA shall not exceed a multiple of 2.5 in the long-term.
- ▶ **Status:** Current leverage 3,4X due to acquisition of Svensk Markservice, deleverage over time

Dividend (% of NI)
40%

- ▶ Approx 40% of the year's results to be distributed as dividends, taking into account Green's long-term development potential, financial position and investment needs.

Summary



Long-term growth supported by structural market drivers

Increasing urbanisation

- ▶ Expected to reach 90 percent by 2050

Demand for safe & accessible green areas

- ▶ Proper lighting & accessibility provide a safe green access for everyone

Active lifestyle & social meetings

- ▶ Facilitates an active life without having to travel long distances
- ▶ Extension of the home as people spend more time outdoors

Increasing willingness to pay

- ▶ About 60% are willing to pay a premium for green proximity

Higher public expectations

- ▶ People's quality expectations on green areas are increasing
- ▶ Municipal park spending CAGR of 4.6% since 2007

Summary



Summary of Q1 2019

- ▶ Stable start of the year
- ▶ Positive synergies from acquisition of Svensk Markservice; Integration to continue over the year
- ▶ Continued ambition to consolidate the industry
- ▶ Favourable market and long-term contracts give good conditions for sustainable growth
- ▶ Focus on quality, price, cost and collaboration to further enhance customer satisfaction and a winning corporate culture





Q&A