

Q3 Report

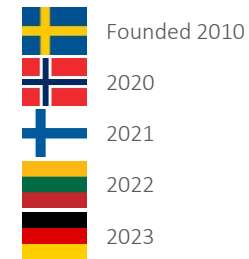
July - September 2023

16 November 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 5.8 billion rolling 12 months, with an EBITA margin of 8.9%

Market entry



Summary Q3 2023

- ▶ Net sales increased by 22% to SEK 1,430 (1,176) million
 - ▶ Organic growth of 0% in Q3, and 5% YTD
 - ▶ Acquisitions contributed by +23% in Q3, and 32% YTD
- ▶ EBITA increased by 45% and amounted to SEK 128 million (89)
- ▶ EBITA-margin of 9.0% (7.6) in the quarter
 - ▶ Positive mix effect from acquired companies
 - ▶ Strong performance by the legacy companies
- ▶ Financial discipline
 - ▶ Financial gearing at 2.5, in line with financial goal
 - ▶ Credit facilities extended to 2026
- ▶ Expansion in DACH; Germany, Austria, Switzerland
 - ▶ Regional manager
 - ▶ New office opened
 - ▶ Second acquisition after the close of the quarter

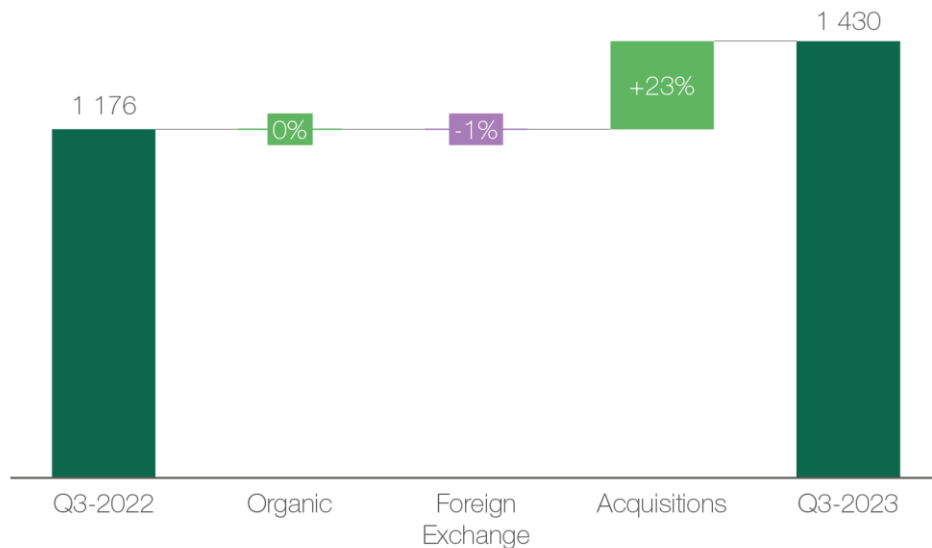


Strong growth in the quarter, and over time

Strong growth in the quarter

- ▶ Net sales Q3 22%
- ▶ Organic growth 0%
- ▶ Acquired growth 23%

Net sales, SEK million



Strong growth, rolling twelve months

- ▶ Net sales 41%
- ▶ Organic growth 7%
- ▶ Acquired growth 34%

Net sales per quarter

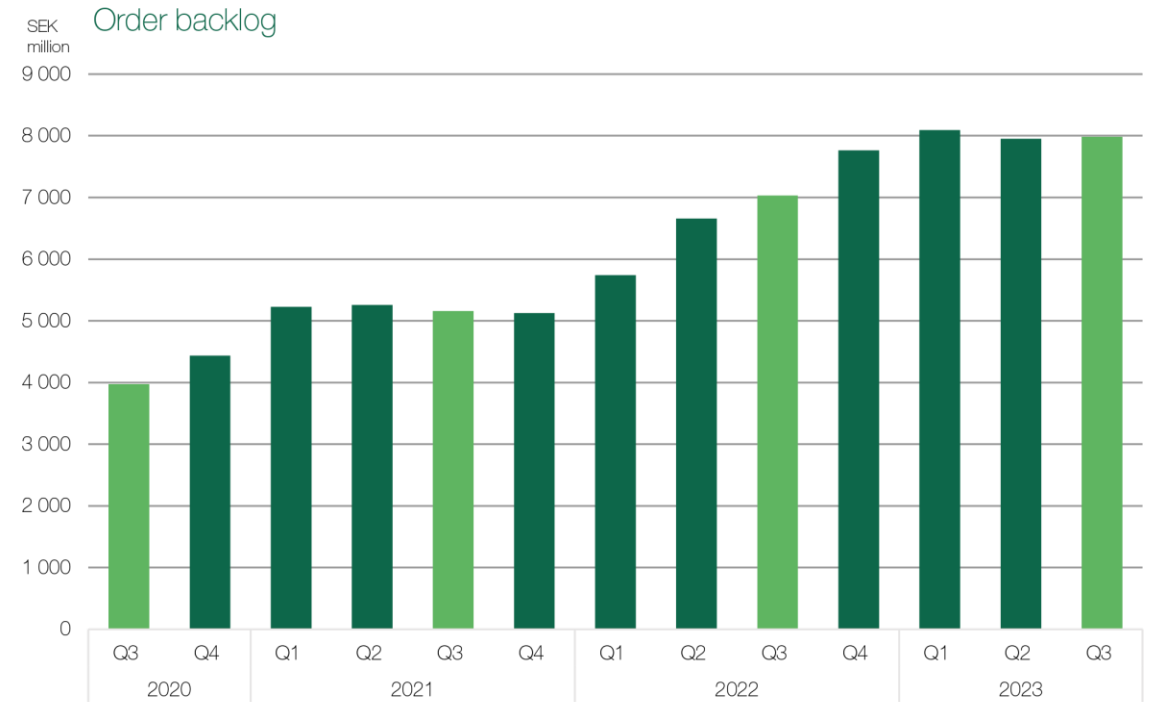


Order backlog stable at SEK 8.0 billion

Growth of 14% compared with Q3 2022

Increase attributable to acquisitions and new contracts.

Majority of order book consists of contracts with public sector customers



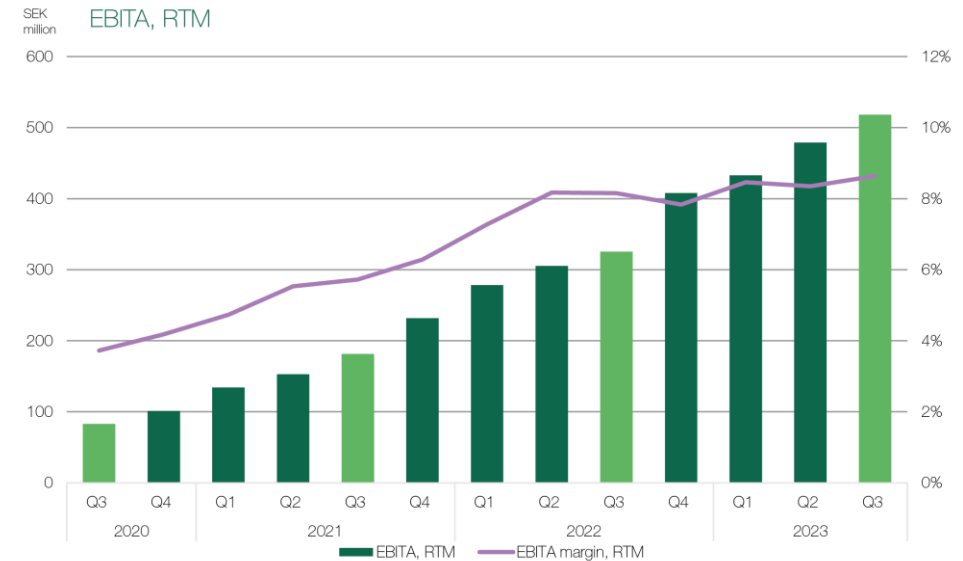
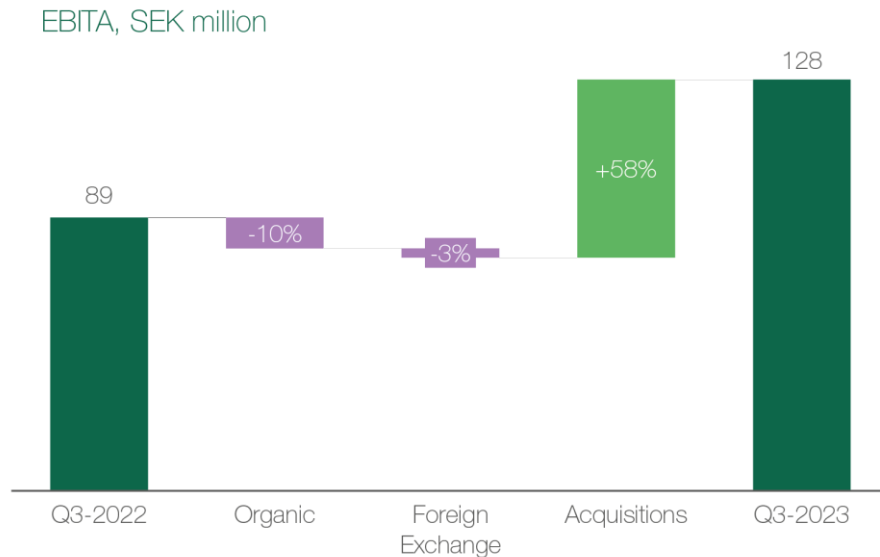
Steady increase of EBITA and EBITA-margin

Strong growth in the quarter, +45%

- ▶ Existing businesses contributed with -10%
- ▶ Acquired companies contributed with 58%
- ▶ Changed exchange contributed with -3%

Steady growth over time
(rolling twelve months)

- ▶ EBITA growing consistently
- ▶ EBITA margin at 8.9%



Sweden

- ▶ Net sales SEK 610 (639) million, -5%, 6% YTD
 - ▶ Organic growth contributed -7%, 2% YTD
 - ▶ Acquisitions contributed 2%, 4% YTD

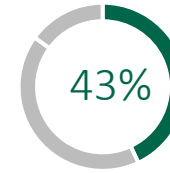
Good demand for ground maintenance

Delayed landscaping project starts

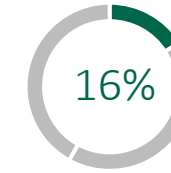
- ▶ EBITA SEK 21 (29) million, -28%
 - ▶ EBITA-margin 3.4% (4.6)

Strong performance by legacy companies

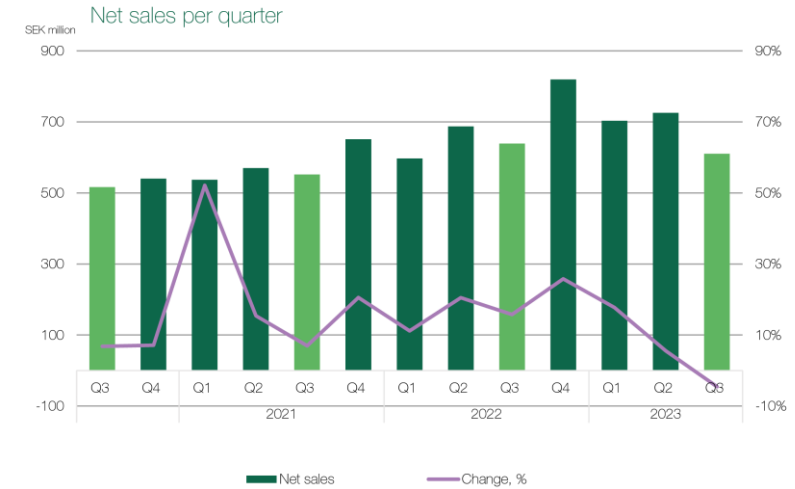
Company specific events weighed on EBITA



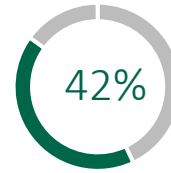
Share of net sales



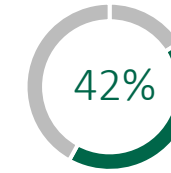
Share of EBITA



Norway



Share of net sales



Share of EBITA

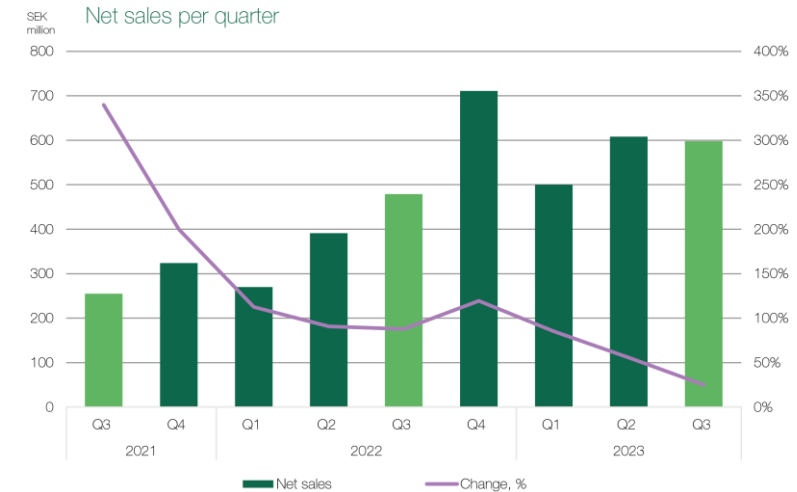
- ▶ Net sales SEK 598 (479) million, +25%, 50% YTD
 - ▶ Organic growth contributed 6%, 10% YTD
 - ▶ Acquisitions contributed 24%, 44% YTD
 - ▶ Changed exchanged rates -5%, -4% YTD



Strong growth, organically and through acquisitions.

- ▶ EBITA SEK 57 (59) million, -3%
 - ▶ EBITA-margin 9.5% (12.3)
 - ▶ Changed exchanged rates contributed -6%

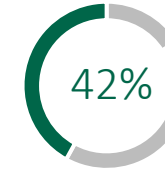
EBITA affected by high comparables and currency effects. Acquired companies have profit margins in line with the Group goal and diluted the margin for the segment.



Finland and rest of Europe



Share of net sales



Share of EBITA

▶ Net sales SEK 222 (58) million, +283%, 240% YTD

- ▶ Organic growth contributed 29%, 14% YTD
- ▶ Acquisitions contributed 244%, 231% YTD
- ▶ Changed exchanged rates 10%, 9% YTD



Significant project deliveries by the Finnish companies.

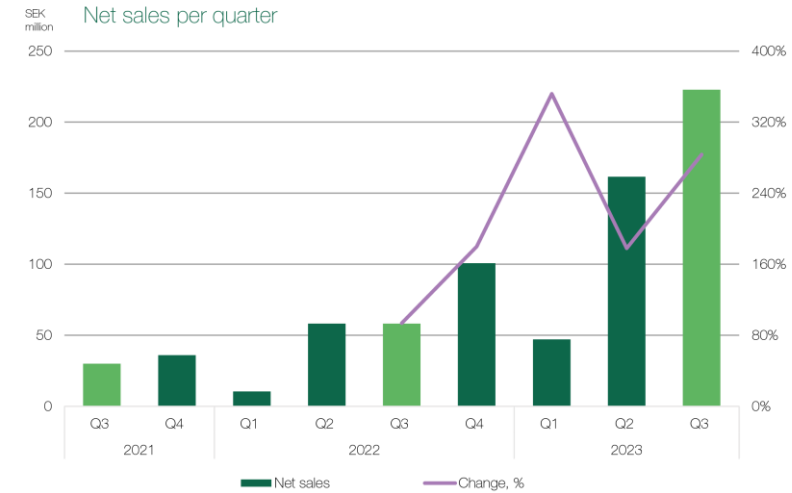
Strong demand for alteration and addition works for Stebule.

▶ EBITA SEK 56 (7) million, +650%

- ▶ EBITA-margin 25.2% (12.9)
- ▶ Changed exchanged rates contributed 6%

Positive currency effects

Further expansion in Germany



Acquired company in October 2023



Rainer Gartengestaltung & Landschaftsbau GmbH

- ▶ Founded in 2005
- ▶ Operates around Ulm and Stuttgart
- ▶ Offers services in ground maintenance and landscaping for outdoor environments
- ▶ Annual sales of EUR 3 million
- ▶ 24 employees



Financials



Strong development

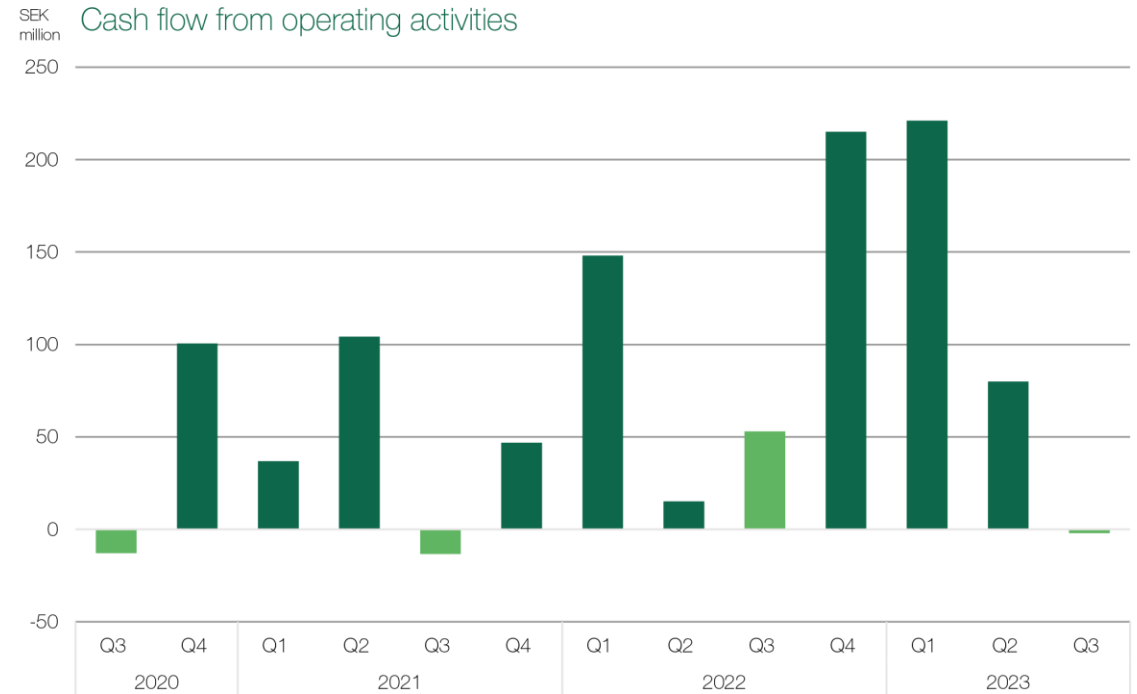
- ▶ Net sales increased significantly
- ▶ EBITA increased significantly
- ▶ EBITA-margin increased by 1.4 percentage point
- ▶ Seasonally weak cash flow generation
- ▶ Solid order backlog
- ▶ Financial leverage in line with target
- ▶ Program for repurchase of own shares initiated

Key financials Q3 2023

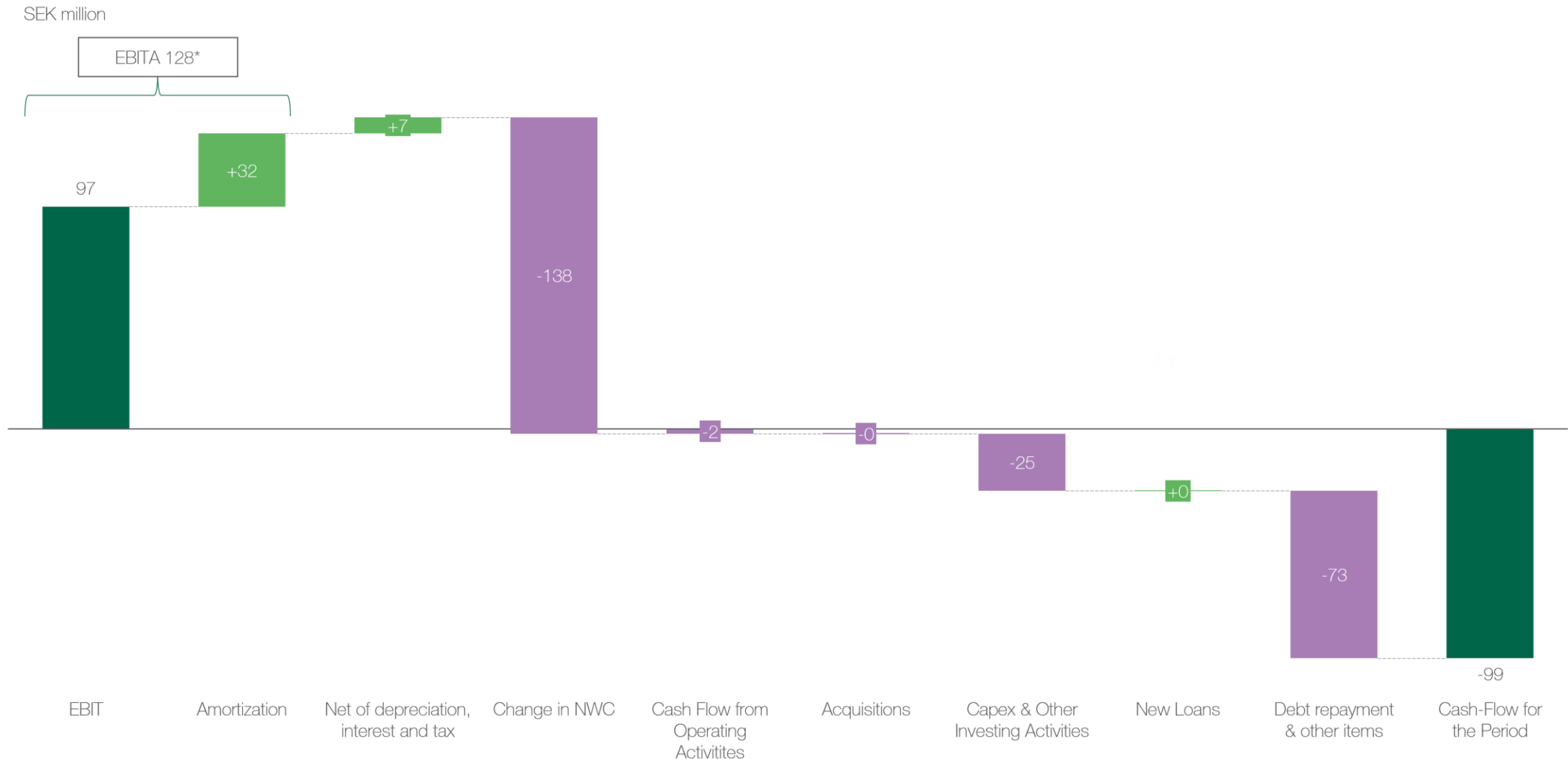
SEK million	Q3 2023	Q3 2022	Rolling 12 months
NET SALES	1,430	1,176	5,799
EBITA	128	89	519
EBITA-MARGIN, %	9.0	7.6	8.9
CASH FLOW FROM OPER. ACTIVITIES	-2	53	365
RETURN ON EQUITY, %	15	14	16
ORDER BACKLOG	7,986	7,031	7,986
EARNINGS PER SHARE	0.84	0.88	3.58
FINANCIAL LEVERAGE	2.5x	2.7x	2.5x

Cash flow

- ▶ Seasonally weaker cash flow from operating activities, amounting to SEK -2 (53) million
- ▶ EBITA contributed significantly, more than offset by increased working capital, partly due to a calendar effect
- ▶ Cash and cash equivalents at the end of the period amounted to SEK 548 (370) million



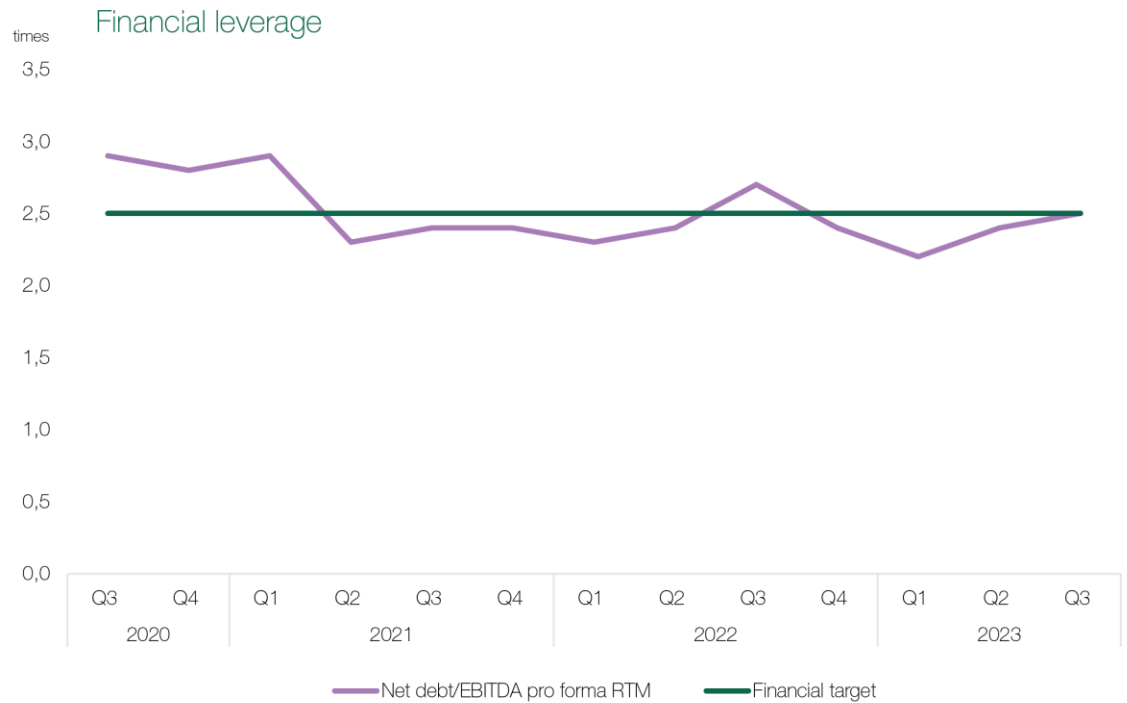
Cash Flow Bridge



*) Due to rounding, some of the calculations are not always exact.

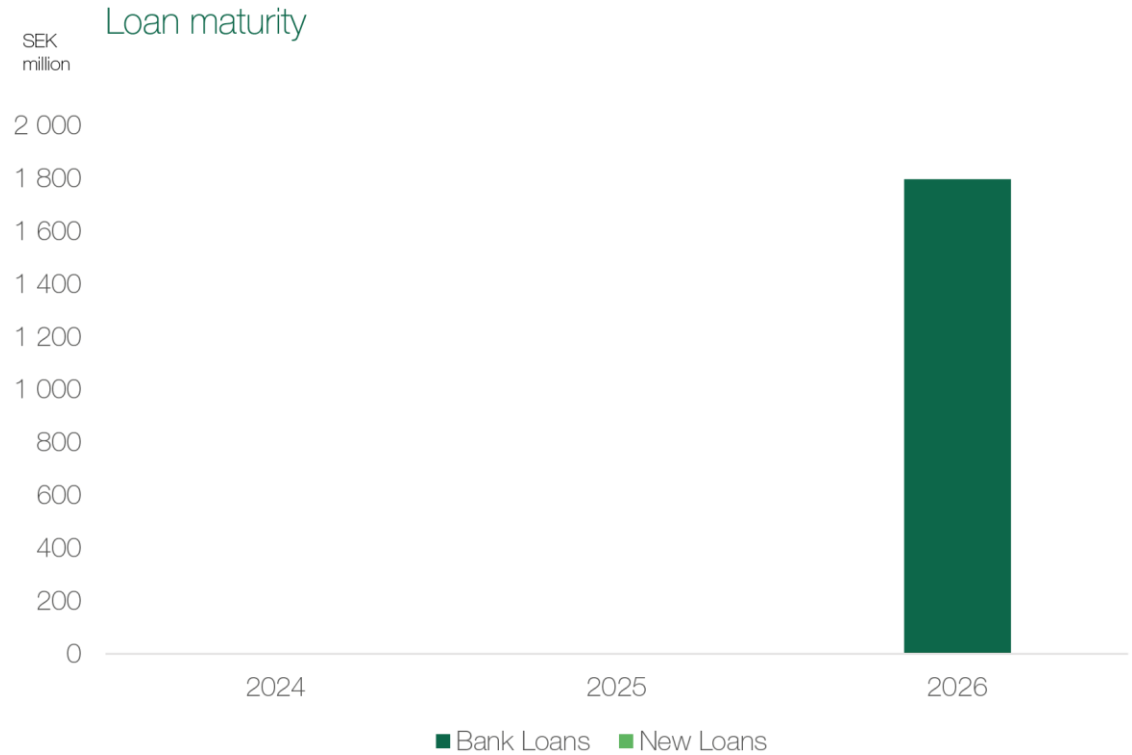
Financial leverage

- ▶ Financial leverage amounted to 2.5X (2.7X)
- ▶ Level in line with financial target
- ▶ Steady state means deleveraging through cash flow from operating activities



Loan maturity profile

- ▶ Loan facility maturity extended after the close of the quarter, moved from 2025 to 2026
- ▶ Total maturities amounting to about SEK 2,000 million
- ▶ No maturities until 2026
- ▶ Only covenant being Net debt / EBITDA pro forma. Current level of 2.5 leaves plenty of headroom



Financial targets

<p>Growth</p> <p>10%</p> <p>Sales shall, on average, grow by 10 percent per year (organically and via acquisitions)</p>	<p>EBITA margin</p> <p>8%</p> <p>EBITA margin shall, on average, amount to 8 percent per year</p>	<p>Leverage (ND/EBITDA)</p> <p>2.5x</p> <p>Net debt in relation to EBITDA shall over the long term, not exceed 2.5 times</p>	<p>Dividend (% of NI)</p> <p>40%</p> <p>Approximately 40% of profit for the year shall be distributed as dividends to shareholders. The dividend proposal shall take into account Green Landscaping Group's long-term growth potential, financial position and investment requirements.</p>
<p>Rolling twelve months</p> <p>41%</p>	<p>Rolling twelve months</p> <p>8.9%</p>	<p>2023 Q3</p> <p>2.5X</p>	<p>2023</p> <p>0%</p>

Summary Q3 2023

- ▶ Net sales increased by 22% to SEK 1,430 (1,176) million
 - ▶ Organic growth of 0% in Q3, and 5% YTD
 - ▶ Acquisitions contributed by +23% in Q3, and 32% YTD
- ▶ EBITA increased by 45% and amounted to SEK 128 million (89)
- ▶ EBITA-margin of 9.0% (7.6) in the quarter
 - ▶ Positive mix effect from acquired companies
 - ▶ Strong performance by the legacy companies
- ▶ Financial discipline
 - ▶ Financial gearing at 2.5, in line with financial goal
 - ▶ Credit facilities extended to 2026
- ▶ Expansion in DACH; Germany, Austria, Switzerland
 - ▶ Regional manager
 - ▶ New office opened
 - ▶ Second acquisition after the close of the quarter



Green

landscaping group

