

## Press Release

21 February 2020

### Year-end report 2019

#### “Continued growth but lack of winter activities in the quarter”

##### October-December 2019

- ▶ Sales in the fourth quarter amounted to SEK 507.0 (375.0) million, an increase of 35.2 percent, of which –6.5 percent organic.
- ▶ EBITA amounted to SEK 15.1 (–2.2) million. An increase of SEK 17.3 million.
- ▶ EBITA margin was 3.0 (–0.1) percent.
- ▶ Adjusted EBITA amounted to SEK 25.2 (23.0) million. An increase of 9.6 percent.
- ▶ Adjusted EBITA margin was 5.0 (6.1) percent.
- ▶ Cash flow from operating activities amounted to SEK 21.9 (25.1) million. Cash flow from operating activities was positively affected by SEK 0.1 million due to. IFRS 16.
- ▶ Earnings per share amounted to SEK 0.05 (–0.42). Earnings per share after dilution amounted to SEK 0.05 (–0.42).
- ▶ Non-recurring items amounted to SEK 10.1 (25.2) million, which derives from the integration of Swedish Markservice.
- ▶ The impact of IFRS 16 on EBITA was SEK 2.7 million and 0 in net cash flow.
- ▶ Important events after the end of the quarter include the acquisition of GAST in Norway, which is the first outside Sweden as well as Park i Syd in Skåne, Sweden.
- ▶ The Board of Directors intends to propose a rights issue of SEK 150 million to finance continued acquisitions.

##### CEO Johan Nordström comments on the quarter:

Sales during the quarter amounted to SEK 507.0 (375.0) million, which is an increase of 35.2 percent. Adjusted EBITA amounted to SEK 25.2 (23.0) million with a margin of 5.0 (6.1) percent. Developments during the fourth quarter were adversely affected by the mild winter with no snow deicing activities. In connection with this year-end report, we have also announced the acquisition of our first company outside Sweden, and we now intend to continue our active acquisition agenda.

##### The integration of the Swedish Markservice

Work on the integration of Swedish Mark Service has been extensive during the year. In the fourth quarter, we had the opportunity to carry out further integration activities, which drove higher costs. The effect of this is that we get better and can complete the integration work earlier, and thus focus fully on developing the business in the "new" and larger Green Landscaping.

In the landscaping business in the East region, we have taken measures that are beginning to show progress. We have added an experienced management team that changed structure and working methodology, which resulted in a more stable organization. We will continue to work on the track in 2020 for continued stability and in the long-term improved profitability in the region.

### **Constant growing trust as a supplier**

The order book has developed positively in the quarter. We have gained continued trust from existing customers where we have long agreements with intervals of 5-10 years. We also see an influx of new customers in all regions.

Good service is important to us, which should be reflected in high customer satisfaction. Satisfied customers mean recurring business and a strengthened market position. It is gratifying to note that our latest customer survey shows that we have increased customer satisfaction during the year, despite the integration work. We build on this going forward.

### **First acquisition outside Sweden**

Our growth and position in the market continues to be strengthened through acquisitions. During 2019, we completed two acquisitions: Mark & Trädgård Skottorp with operations in the landscaping environment in Halland and Skåne, and HD Landscape's operations in Skåne.

2020 will have a positive start with two more acquisitions. Park i Syd with operations in planning and landscaping in Skåne, and Gast Entreprenör AS with operations in the Oslo region, which is our first acquisition outside Sweden. This expansion is in line with our previously communicated strategy to consolidate the Nordic market. We now have an excellent starting point to make complementary acquisitions in the region, and in the long term continue to other markets.

### **Good future outlook**

The need for sustainable outdoor environments in our cities continues to grow, and we therefore see many business opportunities in the coming year that can contribute to continued stable growth.

The work to further decentralize the business is continued through the incorporation of more profit units in order to further strengthen the local business team. In parallel with this, we continue to pursue an active acquisition agenda. We intend to continue to grow through the acquisition of successful entrepreneurial companies that can contribute to the Group's development in all regions where we are active. As a result of this, the Board has today announced an intention to carry out a rights issue of approximately SEK 150 million.

2019 has been a year marked by the integration of the Swedish Markservice. With the great work behind us, we now look with confidence in 2020 where we, with a focus on high customer benefit, stability and quality, continue our journey as the Nordic region's leading player in outdoor environments.

### **Presentation of the report**

Green Landscapings CEO, Johan Nordström and CFO, Carl-Fredrik Meijer present the report in a telephone conference on November 21 at 10.30 am CET.

Participants call in on +46 8 50558366

Webcast: <https://tv.streamfabriken.com/green-landscaping-group-q4-2019>

English version of the report will be available within short.

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*This information is such information Green Landscaping Group AB (publ) is required to disclose according to the EU Market Abuse Regulation. The information was submitted, through the above contact persons, for publication on February 21, 2020 at 07.30 am CET.*

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Green Landscaping Group is the #1 landscaping service provider in Sweden. Our business idea is to refine our customers' outdoor environments by offering services focused on high customer value, long-term sustainability and quality. The group has approximately 1,300 employees and sales amount to approximately SEK 2 billion. The company's shares are listed on Nasdaq Stockholm with ticker GREEN. For more information, please visit [www.greenlandscapinggroup.se](http://www.greenlandscapinggroup.se).