



# Annual Report 2020

Green Landscaping Group AB (publ)





## GREEN IN BRIEF

---

# Green outdoor environments for everyone

Green Landscaping Group AB (publ) is the Nordic region's leading provider for maintenance and landscaping of outdoor environments. Our business concept is to improve the customer's outdoor environment by offering services that focus on high customer value, long-term sustainability and quality.

Through its 27 subsidiaries and business units, Green Landscaping Group offers the market's most comprehensive service portfolio that aims to make cities more beautiful and also safer. The goal is to add real value by creating environments where people can thrive. We conduct business in both Sweden and Norway. In Sweden, the business is divided into the following five regions: South, West, East, Middle and North.

We offer ground maintenance and landscaping, snow & ice removal, road maintenance, sports landscaping and arborist services.

We are professional in everything we do. At the center of it all is our skilled, experienced employees who inspire our customers, helping them realize their dreams of creating beautiful, functional outdoor environments. We also offer care and maintenance services that maximize the lifespan of these outdoor environments.



# Our subsidiaries

**P·A·R·K**  
- förnyar och vårdar gröna ytor

**JE MARK**

**Mark  
& miljö**  
projekt

**1979**  
JORDELIT

**Jacksons**  
trädvård

**Green**  
Landscaping Malmö

**Mark & Trädgård**

**Green**  
landscaping Skåne

**Green**  
landscaping Helsingborg

**GML**  
SPORT  
EST. 1994

**Green**  
landscaping

**TRANEMO**  
Trädgårdstjänst AB  
*Vi kan utemiljö!*



**Oveland**  
Utemiljø

**M** SVENSK  
MARKSERVICE



**GAST**  
ENTREPRENØR

**thormans**  
entreprenad

**HADELAND**  
MASKINDRIFT AS



**BENGTSSENS**  
TRÄDGÅRDSANLÄGGNINGAR AB



# Contents

Events in 2020	5
CEO's comments	6
CFO's comments	8
Acquisitions	9
Goals & Strategies	10
Lean	13
Market overview	14
Service offering	18
Segments	22
Sustainability Report	30
Green Academy	44
Green Steps	46
Digitalization	48
Green Landscaping stock	50

Corporate Governance Report	53
-----------------------------	----

## FINANCIAL STATEMENTS 65

Directors' Report	66
Consolidated income statement	71
Consolidated balance sheet	72
Consolidated statement of changes in equity	74
Consolidated cash flow statement	75
Parent company's income statement	76
Parent company's balance sheet	77
Parent company's statement of changes in equity	79
Parent company's cash flow statement	80
Notes	81
Audit report	107
Key performance indicators	111
Definitions with explanations	113

This annual report covers the operations of  
Green Landscaping Group AB (publ), CIN  
556771- 3465





## Events in 2020

The business was established in Norway with the acquisition of GAST Entreprenør AS in Oslo in February. Three additional Norwegian companies were also acquired by the Group during the year.

In total, seven companies were acquired during the year, of which four in Norway and three in Sweden.

The COVID-19 pandemic has had a negative impact on both sales and earnings.

During the second quarter, a rights issue of SEK 146.8 million was carried out.

Mild winter, lacking snow and ice removal activities in the first and fourth quarters.

The process of decentralizing the Group continues and three business units were turned into independent companies during the year. Preparations are underway for converting more business units into independent companies in 2021.

## Significant events after the end of the year

Acquisition of Akershusgartneren AS in Norway.

### KEY PERFORMANCE INDICATORS

SEK m	2020	2019	Change, %
Sales	<b>2134.7</b>	1992.6	7.1%
EBITA	<b>101.1</b>	57.2	76.7%
EBITA margin	<b>4.7%</b>	2.9%	1.8 points
Basic earnings per share, SEK	<b>0.90</b>	0.20	350.0%
Diluted earnings per share, SEK	<b>0.89</b>	0.20	345.0%
Order backlog	<b>4434</b>	3565	24.4%



2020 was an eventful year for Green Landscaping Group, where we made significant progress towards achieving our goal of becoming the Nordic region's leading company in the outdoor environment sector.

### CEO's comments

2020 was an eventful year for Green Landscaping Group, where we made significant progress towards achieving our goal of becoming the Nordic region's leading company in the outdoor environment sector.

Our focus on developing our existing companies, along with growth through acquisitions, has proven successful. Our decentralized structure driven by entrepreneurial spirit creates the conditions for continued success.

During the year, we took the first steps to expand beyond Sweden by acquiring four companies in Norway. A fifth company was also acquired at the start of 2021.

The Covid-19 pandemic has had a major impact on society, changing the daily norm for most of us. Our business has been affected too, but it has still functioned well under the prevailing conditions. We have taken measures to create a safe work environment for our employees and secured continued delivery to our customers.

We are delighted that customers keep renewing their confidence in us by engaging us to provide them with services year after year. It motivates and inspires us. Our focus on customer value, efficiency and good quality is the recipe for success that we will continue to pursue.

#### Strong growth in an unusual year

2020 has been a highly unusual year with the outbreak of Covid-19 and a mild winter. Despite that, we succeeded well and delivered good earnings. Sales for the full year 2020 amounted to SEK 2,135 million, which is an increase of 7 percent. It means that, since 2015, when the company's current strategy was adopted, we have increased our sales by a total of 184 percent, which corresponds to an average growth rate of 23 percent per year.





## The seven companies acquired in 2020 have contributed annual sales of approximately SEK 650 million, with good profitability.

This was achieved primarily as a result of our successful acquisition pursuits. In 2020, seven new companies joined the Group, four of which are in Norway and three in Sweden. We have thus successfully taken the first steps to expand beyond Sweden and into the Norwegian market. Organic growth was negative throughout the entirety of 2020. We attribute that to the unusually mild winter in both the first and fourth quarters, during which there were essentially no snow and ice removal activities. The pandemic also affected us negatively to some extent, with an absence of ad-on sales, delayed payments and lower efficiency. Despite the challenges, we nevertheless managed to maintain sales in the second, third and fourth quarters, which we are satisfied with.

With the seven acquisitions made in 2020 and another early in March of 2021, Green Landscaping Group has made a total of 27 acquisitions since the company was established in 2009. The Group now has 28 companies/business units and 1,350 employees.

For 2020, the operating profit, EBITA, amounted to SEK 101 (57) million, which is an increase of 77 percent. The margin increased 1.8 percentage points to 4.7 (2.9) percent. We still have a ways to go before we achieve our goal of 8 percent. However, given the improvement that occurred in 2020 and activities underway, the prerequisites are in place for profitability to increase even further.

### Integration process that fosters local entrepreneurship

A key component of our strategy is acquiring profitable companies led by successful and dedicated entrepreneurs. They obtain a large shareholding in Green Landscaping Group, while continuing to lead their local companies.

There are a few fundamental priorities in our acquisition and integration process. Acquired companies work in a way that is consistent with the Group's strategy, but they work independently and based on the local leadership priorities. By becoming part of a larger organization, they gain access to new expertise, new development and collaboration opportunities, central purchasing and supplier agreements, new tools and cross-selling possibilities. These acquisition and integration priorities have proven to be successful. Local entrepreneurs want to become part of the Green Landscaping Group because it injects new energy, expertise and abilities, without limiting their authority to take own initiative.

The seven companies acquired in 2020 have contributed annual sales of approximately SEK 650 million, with good profitability. The balance sheet grew stronger in 2020 thanks to a rights issue that was carried out, generating approximately SEK 150 million in capital. At year end, the gearing ratio was 2.8 times adjusted EBITDA pro forma. Our assessment is that, based on its position, Green Landscaping Group has good opportunities for further consolidating the Nordic market for ground maintenance.

### Priorities and driving forces for higher profitability and continued growth

We are now looking to the future after having achieved many successes in 2020. With stability in the organization as our point of departure, the prerequisites exist for the local leaders of our subsidiaries to focus on raising customer value and profitability in 2021.

In Sweden, many parts of the organization are still focusing on integration and synergy efforts, which will generate earnings improvements for many years to come.

We noticed a slight increase in the demand for our services at the start of 2021 and more activity from our customers. In 2020, customer behavior was somewhat cautious because of the pandemic. The underlying trends of urbanization and greener cities, which are driving the market over the long term, work in our favor. The demand for green, functional and sustainable outdoor environments in our cities and towns is increasing each year.

### We generate benefits to society

The population in Sweden is growing and there is also a trend of increasing urbanization, with more people moving to cities and central locations. It increases the need for more urban green areas. We contribute with economic, social, environmental and climate-related sustainable investments and initiatives that create a healthy society and thriving entrepreneurship.

Together with all of my colleagues, I look forward to continuing to create well-managed, sustainable and safe outdoor environments for our customers. I would also like to take this opportunity to sincerely thank everyone who contributed to our success in 2020.

**Johan Nordström**  
CEO



Carl-Fredrik Meijer  
CFO

## CFO's comments

Cash flow from operating activities after lease expenses amounted to SEK 116 million in 2020, which is strong compared to 2019, when the corresponding figure was SEK 11 million. In June, we carried out a rights issue for approximately SEK 150 million to facilitate a high rate of growth.

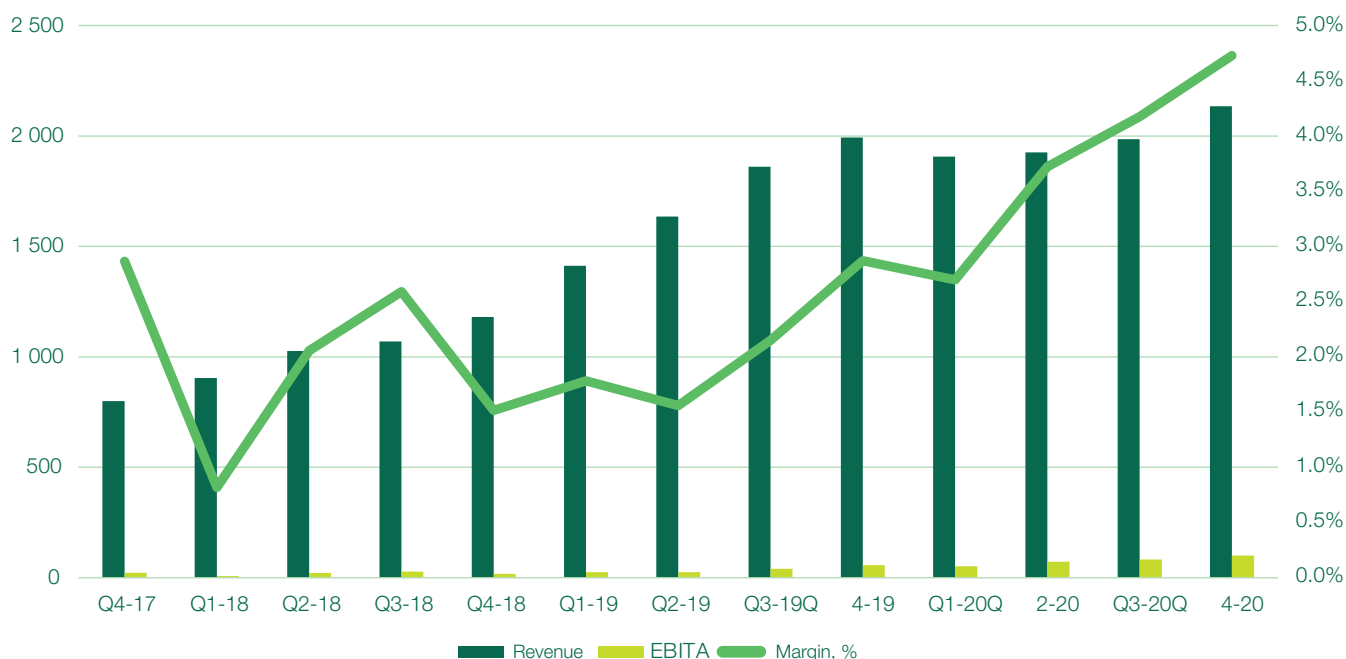
Cash flow from operating activities and the capital generated from the rights issue were used to acquire companies and in total, the cash portion of consideration amounted to SEK 368 million for the year. The remainder was financed through loans.

The gearing ratio fell during the year to 2.8 (3.3) times as of 31 December 2020. It is just over our financial target of a maximum of 2.5 times. Even when the gearing ratio is higher than our target, we are still able to execute additional acquisitions and finance them through our cash flow from operating activities and loans. It is worthwhile noting that indebtedness serves as a lever and generates a higher return on equity. Low interest rates also make this an attractive option.

### More potential and more decentralization

In 2020, the EBITA margin increased 1.8 percentage points to 4.7% (2.9%). There has been an upward margin trend since 2018, which supports our financial profitability target of reaching EBITA of 8.0%.

Revenue, EBITA, LTM 2017Q-2020Q4





Within the Group, we benchmark the profitability of our subsidiaries using a ranking list, which has revealed that there is much variation and room for improvement for several of the Group's business units.

One way of improving profitability is by converting some of the business units into subsidiaries. This was done with three business units in Region South during the year by spinning off parts of both Svensk Markservice AB and Green Landscaping AB into new limited liability companies, with annual sales of approximately SEK 80-120 million. This will be done with additional business units in 2021. Creating actual subsidiaries is important, because it gives the company a greater mandate and opportunities for creating a sharper identity based on the local conditions and employees, in other words, creating its own culture. It is also easier for an independent subsidiary to communicate with its local market through such things as its own website and social media. We have seen many good examples of this during the year. From a financial perspective, there is more clarity with independent subsidiaries in that the CEO is responsible for the entire income statement, balance sheet and cash flow.

### Market cap and owner

Those of use working within the Green Landscaping Group are large shareholders with holdings of just over 20 percent of the shares, which is an important part of our model and culture. We are pleased to report that our market cap increased from SEK 1.3 million to SEK 1.9 million during the year, which corresponds to an increase of 46 percent.

Early in 2020, Green Landscaping Group participated in SEB's conference in Copenhagen for institutional investors and later in the spring, in an event on acquired growth that had been arranged by Affärsvärlden (weekly newspaper). During the fall, we noticed increased interest from international investors, which is to be expected given that both the company and our market cap has grown. In the fall, SEB Corporate Research was engaged to analyze the company and its reports are available to all. Green Landscaping Group had previously engaged Pareto Securities for this task.

We are delighted to have added so many new shareholders during the year, both private investors and major well-known institutions, who want to be a part of our journey. Welcome!

## Acquisitions

### We are a home for entrepreneurs

Green's acquisition strategy, simply put, is to offer companies a home for entrepreneurs. By gathering several companies in the same geographic area, we are able to offer entrepreneurs something they have been lacking in the past, namely, colleagues. When these entrepreneurial-led companies meet, opportunities are created for sharing experiences and collaborating. The rate of innovation is higher at the interface between companies, there are more sales opportunities and above all, healthy competition arises, pushing us all to continuously increase our competitiveness and improve our customer offering.

In 2020, we acquired a total of 7 companies with total annual sales of approximately SEK 650 million. Through our acquisitions, we are now established in both Oslo and the Norwegian region of Sörlandet and based on these platform investments, we have succeeded in attracting other successful companies to the Group. We have also made investments in Östergötland and Skåne to further strengthen our already well-established market position.

We are continuously looking for new, successful, entrepreneurial-led companies to become part of Green Landscaping Group. All of the acquired companies retain their brand, culture and way of doing things. At the same time, we offer them opportunities to take on new challenges.



**Jakob Körner**  
Head of M&A

That is the heart and core of what it means to be part of Green Landscaping Group, where you challenge, and are challenged by, your fellow subsidiaries.

In our existing markets, the number of potential acquisitions is very large, which drives our growth potential. Our task is to sort through them, find the best ones, and convince them to join us. We also see great opportunities for making acquisitions in new geographic areas and in related segments. The market in our sector is still very segmented and this applies to all of northern Europe. It leads us to conclude that our acquisition-driven growth journey has only just begun.

# Goals & Strategies

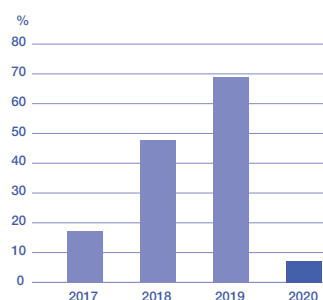
## GOAL

## RESULT

## COMMENTS

### SALES GROWTH

10%



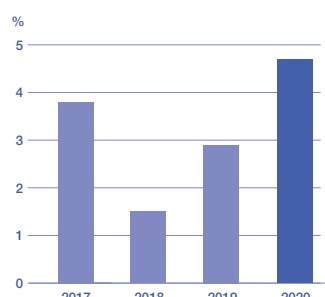
7.1%

Sales shall, on average, grow by 10 percent per year (organically and via acquisitions).

**Results in 2020:** 7.1 percent, of which -5.5 percent was organic. Sales growth was positively impacted by acquisitions, but negatively impacted by the mild winter, primarily in Q1 2020.

### PROFITABILITY

8%



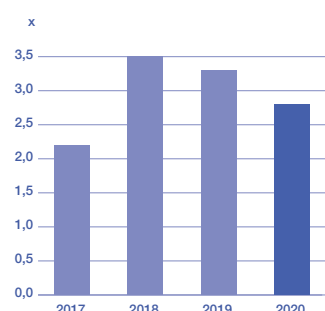
4.7%

EBITA margin shall amount to 8 percent.

**Results in 2020:** 4.7% (EBITA margin). There has been a positive impact on the margin from synergies that have been realized, along with the contribution from companies acquired during the year. The mild winter and Covid-19 have had a negative impact on sales and earnings.

### CAPITAL STRUCTURE

<2.5 times



<2.8 times

Net debt in relation to EBITDA (gearing ratio) shall over the long term, not exceed 2.5 times.

**Results in 2020:** 2.8 times. The level of indebtedness is deemed satisfactory given the future anticipated growth, since indebtedness decreases (everything else held constant) as a result of the cash flow from operations.

### DIVIDEND POLICY

40%



0%

Approximately 40 percent of net profit shall be distributed as dividends to shareholders. The dividend proposal shall take into account Green Landscaping's long-term growth potential, financial position and investment requirements.

**Results in 2020:** Having considered the growth opportunities and potential value creation in the future, the Board proposes that no dividends shall be paid for the year.



## Growth strategy

### Establish local platform for further expansion

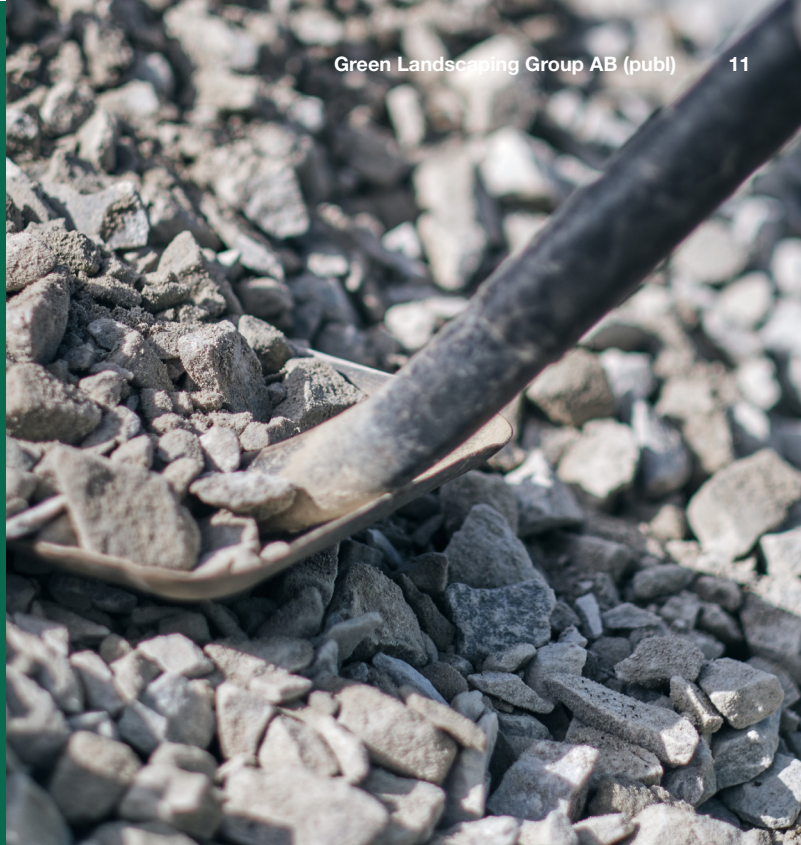
Green Landscaping Group creates strong local market positions in the maintenance service area by establishing local platforms. Typically, the company has two to five contracts with a duration of 3-10 years. In addition to those, ties are also formed with smaller companies resulting in a strong market position characterized by a high level of customer satisfaction, high efficiency and maximum utilization of resources. Local references create a strong local brand, which gives us competitive advantages in each market.

### Ensuring a leading position via more customer value

With local contracts, customer relations, resources and market knowledge, Green Landscaping is able to deliver value to customers, maintain a leading position and thereby generate competitive advantages. As we strengthen our position in local markets, significant cost synergies arise, along with a stronger negotiating position in tendering processes. And, a strong leading position facilitates further expansion to neighboring cities and areas, thereby generating favorable conditions for further market consolidation.

### Continued growth through acquisitions

Continued growth via acquisitions is a key component of Green Landscaping's growth strategy and we are continually evaluating attractive acquisition candidates that can help strengthen our market position and expansion to new geographic markets both within and outside Sweden.



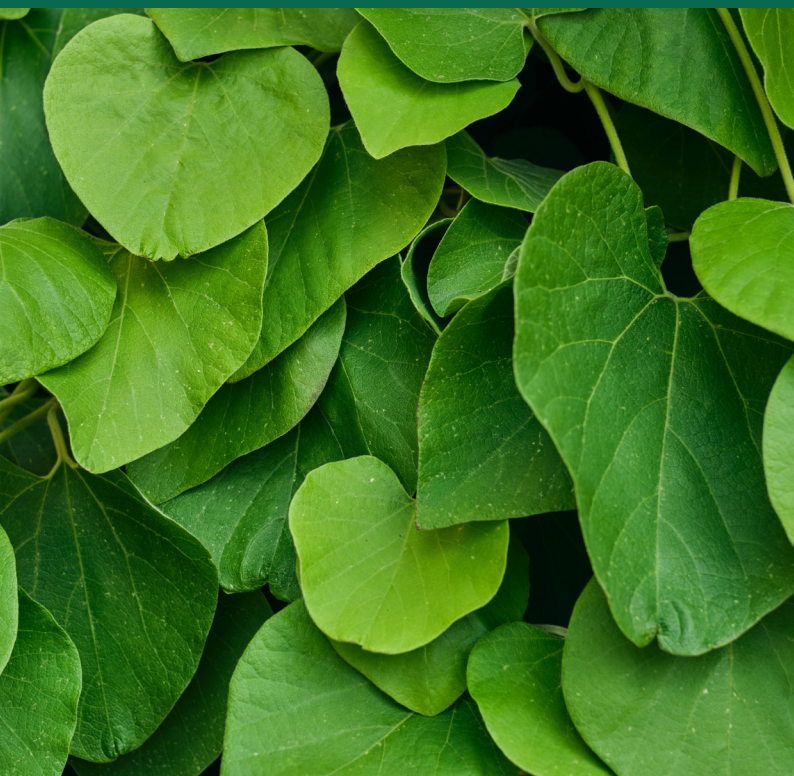
## Profitability Strategy

### Streamlining the organization

In recent years, Green Landscaping has implemented several strategic initiatives aimed at optimizing and streamlining our subsidiaries' processes. For example, a decentralized organizational structure has been implemented by transferring managerial responsibility to the local units. Efforts are underway to convert the business units of Green Landscaping AB and Svensk Markservice AB into subsidiaries. Doing so will help us further solidify our position and create organizations with strong customer relations and local ties.

Another important focus has been on improving our existing processes using our Lean control system, policy deployment for continual improvement of the organization and by focusing on value-creating activities for customers.

The efficiencies we've achieved with Lean have involved consolidation of the supplier base, implementing a coordinated purchasing process, higher productivity of employees and discontinuation of unprofitable contracts. The initiatives have led to major cost savings and higher profitability. Green Landscaping has maintained its focus on higher efficiency to create more value to customers. We shall achieve this by allowing value to customers determine the design of our offering and help eliminate waste.





## Acquisition strategy

Acquisitions are a central component of Green Landscaping Group's growth strategy and it is comprised of companies with sales ranging from SEK 30-150 million, along with smaller companies.

### SEK 30- 150 MILLION COMPANIES (BOLT-ONS)

- Sales of SEK 30-150 million
- Continue operating as before, but now as a subsidiary of the Group
- Retain the same leadership and brand
- Ability to generate synergies with both deliveries and purchasing
- Focus on profitable contract portfolios
- Strong local brand.
- In the same geographic region where we currently operate.

### SMALLER COMPANIES

- Sales less than SEK 20 million
- Otherwise, the same criteria as with bolt-ons
- Unlike the SEK 30-150 million companies, these are typically integrated into our existing operations.

**When identifying acquisition candidates, Green Landscaping Group seeks companies that have the following characteristics:**

- » Well-functioning, stable and profitable companies
- » Competent management teams
- » Talented entrepreneurs
- » Strong local brands
- » Companies with long-term customer relationships and contracts
- » Business in areas where Green Landscaping Group is also active, or in closely related areas

In the bolt-ons category, the following companies were acquired in 2020: Gast Entreprenør AB, Park i Syd AB, Hadeland Maskindrift AS, Bengtssons Trädgårdsanläggningar AB, Oveland Utemiljø AS and Thormans Entreprenad AB (presented in chronological order).

In the category smaller companies, the operations of TH Anlegg were acquired and integrated into GAST Entreprenør AS.

Early in 2021, Akershusgartneren AS in Norway was acquired.

Green Landscaping may acquire larger companies for the purpose of becoming established in new geographic regions.





# Lean

## Internal control, follow-up and measures

To achieve the goals, along with improving and streamlining operations, Green Landscaping Group uses the internal control system LEAN, which is based on four cornerstones; planning, daily management, continuous improvements and ongoing follow-up. The point of departure is creating value for the customer and eliminating everything else, to the extent possible. Each subsidiary that chooses to work with LEAN plans its own operations in order to reach their goals via established action plans. After that, activities and process implementations are documented with the help of control documents in order to facilitate higher work efficiency, improved processes and reduced costs. The control documents are then regularly monitored by each company via the Group's monthly reporting procedures.

Higher collaboration within the Group and its regions is a way of achieving higher cost efficiency and a sustainable Green. Although these efforts were hampered during the pandemic, we have remained steadfast in training our employees on the importance of continuous improvement and elimination of waste as a way of creating higher customer value. The units that have been a part of this already for several years are convinced of the fact that everything can and must be continuously improved in order to live up to, and even exceed our customers' expectations. New companies that join the Group share their experiences and factors that have contributed to their success.



**Pierre Kubalski**  
Head of Lean & Business Development

In 2020, efforts continued to develop and improve the processes used for both administration and production. One of the focus areas has been giving employees better tools to ensure that delivery to customers is correct. Transports were also reduced, which is beneficial in a variety of ways. The improvement efforts continue with new energy from the resources we have added to train and spread best practice.

# 1

PLANNING

# 2

DAILY  
CONTROL

# 3

CONTINUOUS  
IMPROVEMENT

# 4

CONTINUOUS  
FOLLOW-UP

# Market overview

## Market

### The market in brief

The Nordic market for landscaping and maintenance of outdoor environments was estimated in 2019 to be worth approximately SEK 90 billion.

Green Landscaping Group currently has operations in both Sweden and Norway, where the markets are estimated to be worth SEK 33 billion and SEK 18 billion, respectively.

The market can be divided into three service areas: ground maintenance, landscaping and specialist services. The total market in Sweden is estimated at SEK 30 billion. Of the total market, almost 70 percent has been allocated to external suppliers. The market is fragmented and it consists of approximately 6,300 companies, of which Green Landscaping Group regards approximately 1-2 companies as competitors at the national level and approximately 2-5 companies at each regional level. Typically, contracts in the market are long term for both the private and public sector. Over time, the market has been stable even during recessions. One of the reasons for this is that most business is via contracts, along with the fact that both private and public organizations maintain their outdoor environments even when there is a downturn in the economy.

Besides the service areas described above, Green Landscaping Group has also for several years been offering maintenance of roads and streets. We have many years of experience and expertise in maintaining streets, foot paths and biking paths for our customers as part of our offering for maintenance of parks and outdoor environments. A few years ago, we also began offering clean road operations to customers including the Swedish Transport Administration.

Since 2020, Green Landscaping Group is also active in the Norwegian market, offering landscaping, maintenance and road operations.

The market in Norway is estimated to be worth approximately SEK 18 billion, yet, with a lower percentage of outsourcing than Sweden: 50 percent compared to 65-70 percent in Sweden.

#### MARKET VALUE NORDIC REGION

## SEK 90 BILLION

The Nordic market for landscaping and maintenance of outdoor environments was estimated in 2019 to be worth approximately SEK 90 billion.

#### MARKET VALUE SWEDEN AND NORWAY

## SEK 33 and SEK 18 billion

Green Landscaping Group is currently established in the Swedish and Norwegian markets, estimated at SEK 33 and SEK 18 billion, respectively.

#### NUMBER OF COMPANIES IN THE MARKET

## 6,300

The market is fragmented and consists of approx. 6,300 companies, of which Green Landscaping regards 1-2 companies as competitors at the national level and 2-5 companies as competitors at each regional level.



**The following texts apply to the Swedish market.**

## Addressable market

Green Landscaping Group's addressable market is that which is contracted to external suppliers. It is estimated at SEK 22 billion. Of this market, approximately 70 percent is ground maintenance, 25 percent is landscaping and 5 percent is specialist services. The addressable market is expected to have annual average growth of approximately 3-4 percent over the next few years. This is based Green's own analyses, along with external market analyses.

Major metropolitan regions are expected to have average annual growth of approximately 5 percent. An important driving force is the favorable demographic trends.

## Customer categories

Customers in the market are in both the private and public sectors. Customers that offer major contracts often put specific requirements on companies that offer care and maintenance of outdoor environments and they use structured tendering processes, which creates barriers to entry for smaller companies in the market. These can be, for example, requirements on the size of operations, certifications, financial strength, a wide range of services, language skills, quality assurance, references from prior projects and also that the company is able to manage several different contracts with the same customer. Contract values in the public sector are, on average, higher than in the private sector.

## Market drivers

### More investments by municipalities

Several municipalities in Sweden have stated the goal that their residents should not have a distance between their residence and green areas of more than 300 meters, which is fueling investments in new green areas. Green Landscaping Group has concluded that the municipalities will continue: making investments in green areas since doing so adds variety to the cityscape, offering nature experiences to city residents, lowering the dangerous effect of pollution and serving as social venues. Residential property near green areas is in higher demand, which is reflected in housing prices.

There is also a higher demand on such things as advanced playgrounds, outdoor gyms, landscaping and artificial turf playing fields, which is driving municipalities to make investments there.

## Urbanization

Sweden is currently one of the countries in Europe that has the fastest growing population. In January 2017, Sweden's population rose above 10 million residents and by 2025, it is expected to reach 11 million. Approximately one-fourth of the population resides in Stockholm, Gothenburg or Malmö. Urbanization in Sweden is expected to reach approximately 90 percent by 2050. Population growth, and a higher level of urbanization result in a greater demand for available outdoor environments. The rapidly growing population also contributes to more wear-and-tear on existing parks and outdoor environments, which further increases the need for maintenance.

Because of the Covid-19 pandemic, the rate of urbanization may slow down or even decrease, but this does not affect the long-term trend.

There are rising expectations on green urban areas. It is typically a high priority for residents and there is a strong demand for such in urban environments. Several studies have been published documenting the positive health effects from green areas, such as lower stress and motivating people to exercise. Parks, green areas and other easily accessible nature areas greatly impact opportunities for outdoor physical activity. If children spend more time in green areas, it has a positive effect on their ability to concentrate. They also become more active and are healthier. An inactive lifestyle can lead to mental illness, a higher risk of heart disease and obesity. Swedish residents have high expectations when it comes to green areas and the ability to engage in outdoor activities in cities, without having to travel long distances. This has become increasingly important. According to a survey, approximately 60 percent of the Swedish population would be willing to pay more for their housing if they could be closer to green areas.

## Higher demand for safety

There is an increasing demand for safer outdoor environments. Residents would, for example, like to have areas lit up better so that they feel safer and to reduce the risk of hurting themselves when they exercise outdoors after dark. Cleaning up and creating more open areas is a part of creating safer environments. Municipalities have also started stating higher requirements that playgrounds should be safer and meet specific criteria.

## Green Landscaping Group's position

Green Landscaping Group is one of just a few companies that offers a full range of services for ground maintenance and landscaping, sports facilities and arborist services. Through our wide service offering, we are able to take overall responsibility for the design, construction and maintenance of parks and urban areas, thereby increasing the value to customers and simultaneously benefiting from economies of scale.

### Ground Maintenance & Landscaping

#### Market and driving forces

Both full service companies like Green Landscaping Group and smaller local companies are active in the market. The market is primarily fueled by growth in the major metropolitan regions of Stockholm, Gothenburg and Malmö. However, other areas of the country are expected to have stable growth in the years to come. Over the long term, growth in ground maintenance is expected to come from growing major metropolitan regions, where it is fueled by favorable underlying demographic trends that will lead to higher demand and more wear-and-tear on existing outdoor environments. Growth in landscaping is primarily expected to be fueled by higher quality and safety requirements, along with more housing construction. New construction of housing often occurs in combination with new construction of outdoor environments like parks, playgrounds and outdoor gyms. Higher quality and safety requirements are also expected to increase the demand for renovation of playgrounds and outdoor gyms in the future.

### Sports Landscaping

#### Market and driving forces

The market is dominated by a few specialist companies in both the service and product segments, which creates a relatively low level of competition. Organizations have typically managed their golf courses and football fields themselves. However, outsourcing of services is becoming increasingly common and the quality requirements are also increasing.

### Arborist Services

#### Market and driving forces

The market is dominated by specialist companies. It is fueled by such things as safety requirements and higher expectations on municipalities and property owners that there should be trees in the vicinity. To a certain extent, the market is needs-driven. For example, extreme weather can impede accessibility, which must be remedied with short notice.









# Service offering

## Green Landscaping Group offers services in five areas:



**Ground Maintenance & Landscaping** consisting of cleaning, lawn mowing, plant and tree care and road maintenance.



**Landscaping**, design & planning of outdoor environments



**Winter operations** consisting of snow & ice removal and road maintenance



**Sports Landscaping** consultancy, product sales and maintenance of sports and leisure facilities



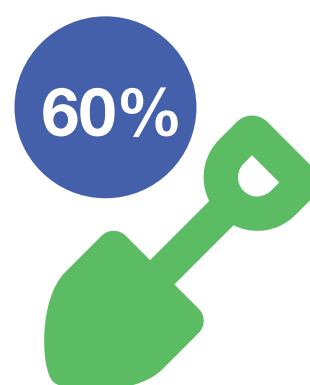
**Arborist Services** in the form of consultation, tree trimming, care of forests in the vicinity of densely populated areas and biomass management.

## Ground maintenance

Ground Maintenance is Green Landscaping Group's largest sub-segment and it accounted for around 50 percent of the company's net sales in 2020.

In the area of Ground Maintenance, the company offers a wide range of green area maintenance services, including cleaning, lawn mowing, pruning, planting, harvesting and road maintenance. During winter, the company offers snow and ice removal services. For ground maintenance, contracts typically stretch over several years covering all seasons. They typically run for three to five years, with the option to extend for an additional two to four years. For housing cooperatives, contracts are typically one year, with annual renewal. Customers are primarily county councils, municipalities, property managers, property companies and others who own or manage green areas associated with urban development.

Ground Maintenance and Landscaping are closely intertwined since landscaping is often added in the form of additional sales to the running contract for ground maintenance.



Ground Maintenance is Green Landscaping Group's largest sub-segment and it accounted for around 60 percent of the company's net sales in 2020.



## Winter and Road Services

For winter services, it is necessary to have both management resources and drivers on hand, as needed. Preparedness for this is typically established around September/October (based on the particular contract and geographic location) and it is maintained through the end of April/May.

As needed, snow and ice removal services are offered on roads, streets, park areas, marketplaces and the grounds surrounding properties. For the vast majority of these contracts, there is a fixed price for having these resources on hand, but remuneration for the actual snow and ice removal is per occasion. Snow removal on major roads is done using plows, but on smaller road networks, streets and marketplaces, smaller tractors, wheeled loading shovels and trucks are used. Essentially all snow removal also involves de-icing, where salt is used on major road networks. In other places salt/sand/gravel mixtures are used or only sand and gravel. Snow and ice removal is done manually at school playgrounds, entryways and on stairs. Once winter is over, sweepers are used to collect the sand and gravel. Sand removal services are typically at a fixed price. Most winter road maintenance is carried out in collaboration with a large number of subcontractors/machine owners. Winter and Road Services accounted for 6 percent of Green Landscaping Group's net sales in 2020.



## Landscaping

The company has a strong team of landscape architects and landscape engineers and gardeners. A full range of services is offered, from design and planning of outdoor environments right through to construction.

Green Landscaping Group has extensive expertise and experience in several project areas associated with landscaping, such as landscaping architecture, ground design, plant technology, project management, inspection and construction.

By being involved in all phases of a project, Green Landscaping Group creates the best conditions for lower operating costs, less maintenance and a longer lifespan for outdoor environments. Marketplaces, residential outdoor environments, parks, churchyards, playgrounds and recreation sites are just some examples of project areas.

Landscaping jobs are typically procured as own contracts, with municipalities, municipal companies or construction companies. For landscaping projects, payment is typically upon completion of the work, or, for larger projects, in accordance with a payment plan linked to various stages of completion. Landscaping projects are divided into smaller steps, which lowers the project risk. The contract value of these project is typically in the range of SEK 1–20 million. Landscaping accounted for 24 percent of Green Landscaping Group's net sales in 2020.





## Sports Landscaping

---

For Sports Landscaping, the company offers consultancy, product sales and maintenance of sports and leisure facilities, such as golf courses and football fields and this part of the business is run by the subsidiaries GML Sport AB and Jordelit AB. Other services are offered as well, such as planting and renovation of natural grass and hybrid grass pitches. Sports Landscaping accounted for 7 percent of Green Landscaping Group's net sales in 2020.

Many of the services offered within the realm of Sports Landscaping are complex and they require a high level of expertise, such as drainage of football pitches. Typical customers, besides municipalities, are golf and football clubs. The company also collaborates with the Swedish Football Association and the Swedish Greenkeepers Association on maintenance of arenas and facilities.

For GML Sport AB's operations, contracts typically stretch over several years. They typically run for three years, with the option to extend for an additional three to four years. It also takes on projects that are paid when the work has been completed. Svensk Jordelit offers consulting and online sales of products for sport and recreation facilities. Other income consists of sales of machinery and equipment.

Sales for Sports Landscaping strengthened even more following the acquisition of Svensk Jordelit AB during the first part of the year, since customers need to attend to their green areas before the summer season.



## Arborist Services

---

Arborist Services offers consultation, tree trimming, care of forests in the vicinity of densely populated areas and biomass management. Contracts are typically long-term framework agreements or smaller assignments where an hourly fee is charged. The work involves such things as tree care to improve the appearance of trees in street environments, facilities, parks and gardens, tree pruning to increase safety and accessibility around roads, footpaths and cycle paths and felling of risk trees in difficult locations where standard tree felling methods cannot be used. Customers consist of major land owners such as municipalities and government authorities, along with property owners, construction companies, housing cooperatives and community associations. Arborist Services accounted for 4 percent of Green Landscaping's net sales in 2020.

For Arborist Services, sales were stronger in the latter part of the year.









## Region South

Region South is comprised of the counties of Skåne and Halland, with particular emphasis on the cities of Malmö, Lund, Vellinge, Staffanstorps, Kävlinge, Helsingborg, Varberg and Halmstad. In February 2020, P.A.R.K. i Syd AB was acquired and Bengtssons Trädgårdsanläggning AB was acquired in October. The service offering in the region consists of design and planning, ground maintenance and landscaping. For 2020, Region South reported sales of SEK 491.8 (371.1) million and EBITA of 28.0 (25.6) million. There were 303 (349) employees in the region. Three business units, from Green Landscaping AB and Svensk Markservice AB, were converted into subsidiaries during the year.

For 2021, the region's focus will be on increasing the earnings capacity of the newly formed subsidiaries and continuing the positive development of other companies.

SALES 2020 (SEK)

**491.8 million**

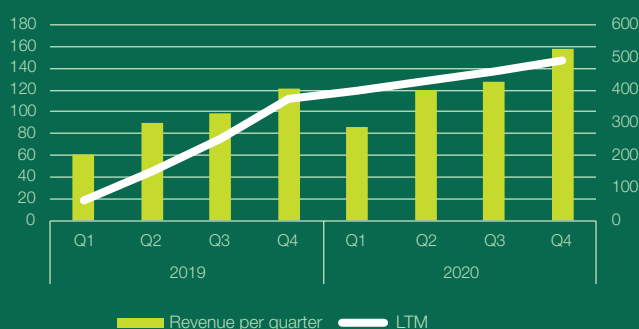
EBITA (SEK)

**28.0 million**

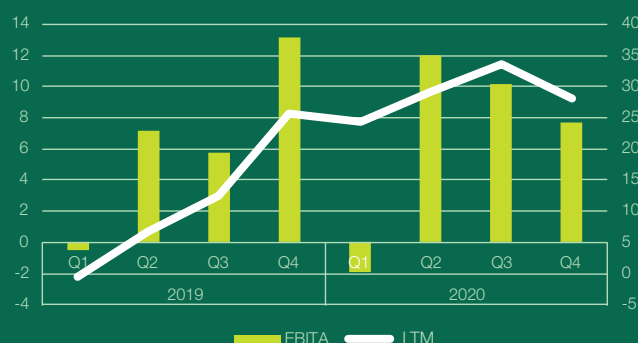
EMPLOYEES

**303**

Revenue per quarter and LTM



EBITA per quarter and LTM





## Subsidiaries Region South



### **BENGTSSENS TRÄDGÅRDSANLÄGGNINGAR AB**

#### **Bengtssons Trädgårdsanläggningar AB**

Bengtssons primarily works with construction, as well as some maintenance, for customers in southern Skåne, where the main focus is on Malmö. It offers a full range of construction work, from smaller outdoor environments to major, complex constructions.



#### **Green Landscaping Helsingborg AB**

Green Landscaping Helsingborg is a full-range supplier of outdoor environment services such as ground maintenance & landscaping with maintenance as its main area of operations. The company targets customers in both the private and public sectors in Helsingborg and Halland and it has offices in Varberg, Halmstad, Helsingborg and Landskrona.



#### **Green Landscaping Skåne AB**

Green Landscaping Skåne delivers a complete range of outdoor environments with a focus on maintenance operations. The company targets customers in both the private and public sectors in Löddeköpinge, Eslöv, Staffanstorps and Lund.



#### **Green Landscaping Malmö AB**

Green Landscaping Malmö AB is a leading provider for ground maintenance, landscaping and related services in the Malmö area. The company maintains, develops and constructs outdoor environments for customers in the public sector and private companies.



#### **Mark & Miljö Projekt AB**

Mark & Miljö creates, constructs and maintains outdoor environments for housing cooperatives and property companies in southwestern Skåne. It primarily offers renovation of residential outdoor environments as a general contractor, taking responsibility for all stages – from planning and design to completion of the project.



### **Mark & Trädgård**

#### **Mark & Trädgård i Skottorp AB**

Mark & Trädgård Skottorp provides maintenance of outdoor environments. Among its main customers are public housing companies and municipalities. Most of its business is ground maintenance. It also offers landscaping service, however. Geographically, the company serves northwestern Skåne and Halland via its offices in Laholm, Ängelholm and Halmstad.



#### **P.A.R.K. i Syd AB**

Park i Syd plans, constructs and maintains outdoor environments in southern Sweden. In constructing outdoor environments, the company is able to offer a full range of services, which includes design, planning, construction and maintenance. It has customers in both the public and private sectors. The Church of Sweden is one of its important customers.

# Region West

Region West consists of Västra Götaland, Jönköping, Kronoberg and Östergötland with particular focus on the cities of Gothenburg, Alingsås, Tranemo, Borås, Strömstad and Linköping. The service offering in the region consists of ground maintenance, landscaping and sports landscaping. For 2020, Region West reported sales of SEK 943.0 (752.9) million and EBITA of 76.4 (39.9) million. There were 453 (383) employees in the region.

In 2020, companies in Norway were reported as part of Region West.

In January 2021, the region changed its name to Region Middle.

SALES 2020 (SEK)

**943.0 million**

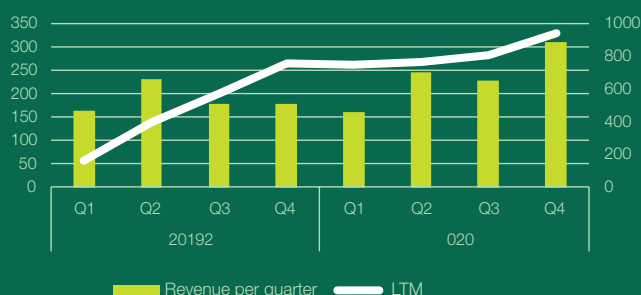
EBITA (SEK)

**76.4 million**

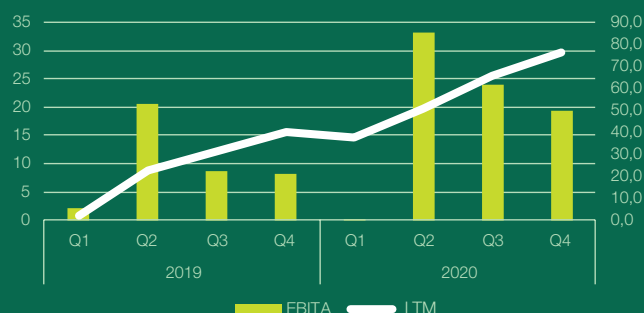
EMPLOYEES

**453**

Revenue per quarter and LTM



EBITA per quarter and LTM



In this region, Green Landscaping AB and Svensk Markservice AB are run as four business units consisting of a mix of each company. The business units are called: Gothenburg Operations, Bohuslän, Östergötland and Gothenburg Construction.

## Gothenburg Operations

Gothenburg Operations mainly works with maintenance agreements for customers in the public sector and private property owners. They also have a unit that works with landscaping. This business unit serves the Gothenburg metropolitan area and its surrounding municipalities. In 2021, it will be converted into a subsidiary with the name Trädgård & Markmiljö Väst AB.

## Bohuslän

Our business unit Bohuslän solely works with maintenance agreements for customers in the public sector and private property owners. It serves the areas of Hisingen, Bohuslän, Göta Älvdalen, along with Alingsås and Skaraborg. In 2021, it will be converted into a subsidiary with the name Park & Trädgård AB.



## Östergötland

Our business unit Östergötland primarily works with maintenance agreements for customers in the public sector and private property owners. There is also a unit that works with landscaping. It serves the Östergötland region and in 2021, it will be converted into a subsidiary with the name Green Östergötland AB.

## Gothenburg Construction

Our business unit Gothenburg Construction solely works with landscaping and simple construction projects. This business unit serves the Gothenburg metropolitan area and its surrounding municipalities. In 2021, it will be converted into a subsidiary with the name Västsvensk Markservice AB.



## Subsidiaries Region West



### Thormans Entreprenad AB

Thormans Entreprenad AB offers a variety of services for maintenance of outdoor environments, primarily focusing on the region of Östergötland. Its customers are primarily municipalities and municipal housing companies.



### GML Sport AB

GML Sport AB is a full-range supplier of specialized services for sports landscaping that includes golf course maintenance, drainage and hydroseeding. It offers consultancy, product sales and maintenance of sports and leisure facilities, such as golf courses and football fields.

Other services are offered as well, such as planting and renovation of natural grass and hybrid grass pitches. Many of the services are complex, requiring a high level of specialist expertise. Green Landscaping has a reputation for high quality and focus on the customer. The company has its head office in Gothenburg, but it participates in assignments in all parts of Sweden.



### Tranemo Trädgårdstjänst AB

Tranemo Trädgårdstjänst AB are specialists in landscaping and gardening. It works with previously undeveloped property, landscaping at existing developments and year-round maintenance. Its customers include construction companies, municipalities, industries, housing cooperatives, smaller companies and individuals. Geographically, the company runs its operations in Tranemo, Borås and Ulricehamn.



### Svensk Jordelit AB

Svensk Jordelit AB has a market-leading position as advisor and supplier of products for sports landscaping, with a particular focus on golf courses and football fields. It offers consulting and product sales primarily to the golf and football sector and has an excellent reputation for high customer satisfaction and a large presence in the market. The company also offers products to the consumer market under the brand Xeed through e-commerce. Svensk Jordelit collaborates with the Swedish Football Association and the Swedish Greenkeepers Association. The company has its head office in Gothenburg, but its sales force covers all of Sweden.

## Subsidiaries Norway



### GAST Entreprenør AS

Gast Entreprenør AS has been successfully focusing its operations on installation and renovation of parks, playgrounds, outdoor environments and courtyards. It serves the Oslo region in Norway. Customers are primarily property owners, large private companies and project developers.

## HADELAND MASKINDRIFT AS

### Hadeland Maskindrift AS

Hadeland Maskindrift offers a variety of services associated with seasonally fluctuating outdoor needs for customers in Oslo municipality, the Norwegian Public Roads Administration, and both companies and individuals in the private sector.



### Oveland Utemiljø AS

Oveland Utemiljø offers a variety of services associated with garden planning and technology, carpentry and construction of playgrounds.



## Region East

Region East is comprised of the counties of Stockholm and parts of Uppland. The service offering in the region consists of ground maintenance, landscaping and arborist services. For 2020, Region East reported sales of SEK 514.9 (593.9) million and EBITA of -13.1 (-0.5) million. There were 288 (323) employees in the region.

The lack of snow during the first quarter resulted in negative earnings that persisted throughout the financial year, particularly for Svensk Markservice AB, Green Landscaping AB and Björnentreprenad AB. The assessment is that, with additional cost-saving measures the region is well on its way to meeting the profitability challenges that exist, the results of which will start to be seen in 2021.

In January 2021, the region changed its name to Region Stockholm.

SALES 2020 (SEK)

**514.9 million**

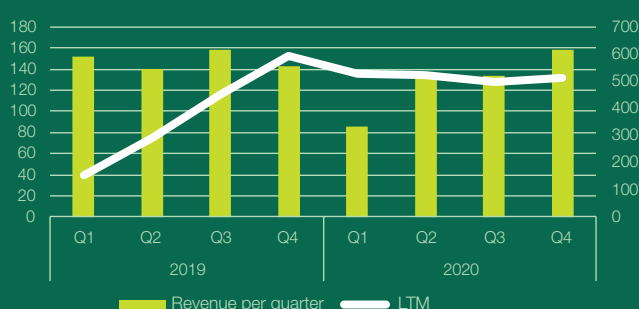
EBITA (SEK)

**-13.1 million**

EMPLOYEES

**288**

Revenue per quarter and LTM



EBITA per quarter and LTM





## Subsidiaries Region East



### J E Eriksson Mark & Anläggningsteknik AB

JE Mark AB is a leader in landscaping and ground maintenance within the Stockholm region. The company primarily offers various sizes of landscaping contracts to its customers, which include housing cooperatives, construction companies, property companies, management companies and municipalities. JE Mark AB performs many types of tasks, ranging from specialized landscaping projects and park landscaping, to maintenance of outdoor environments.



### Jackson Trädvård AB

Jacksons Trädvård specializes in arborist services and forest management and nature conservation. The offering here includes consulting, tree care and tree felling on both private property and in urban environments, care of forests in the vicinity of densely populated areas and biomass management. The company also offers consulting, administration and active management of forested areas.

The company also offers planting of new trees, along with the required maintenance so that they will thrive. Fallen trees and branches are collected and used for such things as biofuel and own furniture manufacturing. Its customers are primarily customers with long-term agreements in place and large property holdings, such as municipalities, property companies and government authorities with framework agreements. The company has offices in Stockholm and Gothenburg. It primarily runs its operations in Stockholm, including the Region Mälardalen, as well as the entire west coast and region surrounding Götene municipality.



### Björntreprenad AB

Björntreprenad AB is a full service company for ground maintenance and landscaping. It runs its operations from the municipality of Bro (north of Stockholm) and serves the surrounding area. Its customers are primarily municipalities and housing cooperatives.



In this region, business is conducted via our subsidiaries, Green Landscaping AB and Svensk Markservice AB, along with three business units consisting of a mix of each company. The Stockholm City, Stockholm South and Stockholm North business units will all be converted into subsidiaries in 2021.

### Stockholm City

Our business unit Stockholm City provides ground maintenance services to customers in both the public and private sectors, primarily in downtown Stockholm, with the vision of creating a green city for future generations. The company has a full-range offering of outdoor environment services, such as ground maintenance, landscaping, snow & ice removal and construction. Its customers are primarily public sector organizations and municipal housing companies. The business unit will be converted into a subsidiary in 2021 with the name Grön Stad Mark och Anläggning AB.

### Stockholm South

Our Stockholm South business unit refines and manages outdoor environments for customers using sustainable working methods and a holistic approach. The company offers ground maintenance, construction, snow & ice removal, special services and playground inspections to customers in Stockholm County, with customers in both the public and private sectors. In 2021, Stockholm South will be converted into a subsidiary with the name Markservice Sthlm AB.

### Stockholm North

Our business unit Stockholm North manages and develops outdoor environments for customers in both the public and private sectors, offering ground maintenance, snow & ice removal and landscaping. Stockholm North is undergoing changes with the goal of becoming its own company.

# Region Middle

Region Middle consists of the following counties: Värmlands, Örebro, Västmanlands, Dalarna, Gävleborg, Uppsala and Roslagen. The service offering in the region consists of ground maintenance and landscaping. For 2020, Region Middle reported sales of SEK 176.8 (189.4) million and EBITA of 8.2 (10.1) million. There were 86 (87) employees in the region.

The lower sales and EBITA in 2020 compared to 2019 are primarily attributable to the mild winter.

As of 1 January 2021, the business units of Regional Middle are part of Region North instead.

SALES 2020 (SEK)

**176.8 million**

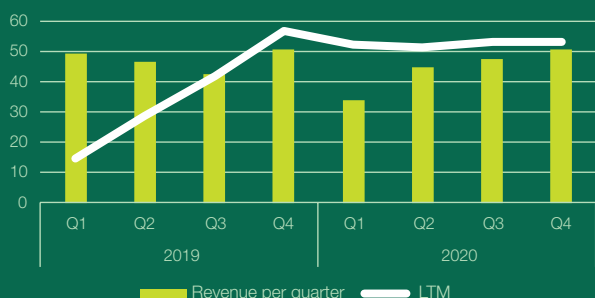
EBITA (SEK)

**8.2 million**

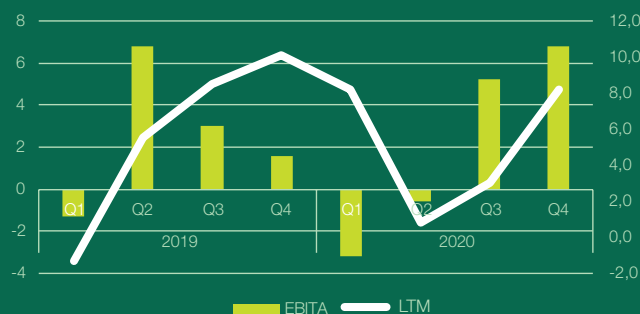
EMPLOYEES

**86**

Revenue per quarter and LTM



EBITA per quarter and LTM



## Subsidiaries Region Middle



In this region, the subsidiaries Green Landscaping AB and Svensk Markservice AB are run as two business units. The business units Svealand and Roslagen are preparing to be converted into subsidiaries.

### Svealand

Our business unit Svealand is the leading provider of ground maintenance in Svealand and its service offering includes both ground maintenance and landscaping. The company develops and maintains outdoor environments in an efficient way, working in close collaboration with its customers. Customers include county councils, property managers, property companies, the Swedish Church and others who own or manage green areas associated with urban development. The business unit are preparing to convert into a subsidiary with the name Markservice Svealand AB.

### Roslagen

Our business unit Roslagen offers a full range of services related to outdoor environments, such as ground maintenance and landscaping. Customers include the Swedish Transport Administration, municipalities, property managers, property companies and others who own or manage green areas associated with urban development.



# Region North

Region North covers the counties of Västerbotten, Västernorrland, Jämtland and parts of Gävleborg. Operations are coordinated through the office in Umeå and it serves the entire coast of Norrland from Härnösand, Sundsvall, Örnsköldsvik, Umeå and further north to Skellefteå. The service offering in the region consists of ground maintenance and landscaping. For 2020, Region North reported sales of SEK 112.9 (134.8) million and EBITA of 11.4 (14.6) million. There were 89 (99) employees in the region.

2020 was a year involving many challenges and we lost some major assignments. The business has nevertheless succeeded in compensating for the loss in volume by focusing more on landscaping, which has enabled us to maintain the margin.

We are well equipped and ready to focus on further developing the fine gardening operations in 2021.

SALES 2020 (SEK)

**112.9 million**

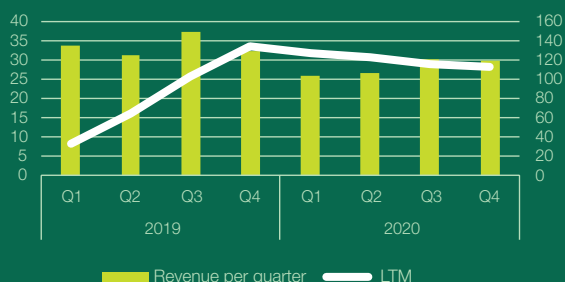
EBITA (SEK)

**11.4 million**

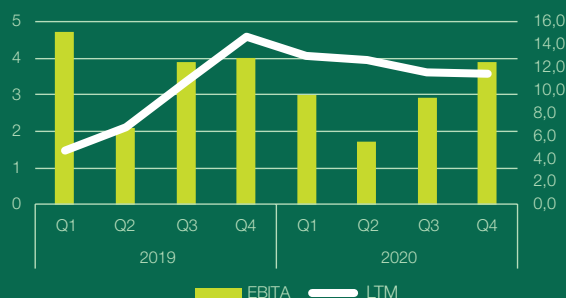
EMPLOYEES

**89**

Revenue per quarter and LTM



EBITA per quarter and LTM



## Subsidiaries Region North



In this region, the subsidiary Svensk Markservice AB is run as the business unit North and it will be converted into a new subsidiary in 2021.

### North

Our business unit North is the leading provider of ground maintenance in Norrland and its service offering includes both ground maintenance and landscaping. The company develops and maintains outdoor environments in an efficient way, working in close collaboration with its customers. Customers include municipalities, property managers, property companies, Regions and others who own or manage green areas associated with urban development. The business unit will be converted into a subsidiary with the name Markservice Norrland AB.



## SUSTAINABILITY REPORT

---

# Sustainable ground maintenance for people and the environment

For maintenance and landscaping of outdoor environments, the fundamental point of departure is responsibility for people and the environment. Upon the foundation of a safe, secure and stimulating work environment for our employees, we supply safe, functional and beautiful outdoor environments for residents and users in residential areas and cities.

The population in Sweden is growing and there is also a trend of increasing urbanization, with more people moving to cities and central locations. This increases the need for more urban green areas and that is where Green Landscaping's operations can add the most value. We shall contribute with economic, social, environmental and climate-related sustainable investments and initiatives that create a healthy society and thriving entrepreneurship.



# Green Landscaping Group’s sustainability platform

In order to work efficiently and in a structured way to continuously develop and improve our sustainability efforts, we have developed a sustainability platform that is based on 17 Sustainable Development Goals of the UN. We have conducted a materiality analysis, that has also provided insight and a basis for making decisions. The platform currently consists of three focus areas, each with their own performance indicators and strategic sustainability goals. Our ambition is to evaluate our sustainability priorities once a year. Once that has been done, it may be necessary to update the platform.



## Green Landscaping Groups sustainability platform



# Governance and materiality

## Strategic sustainability goals

Green Landscaping Group has, based on its priority focus areas, decided to govern its sustainability efforts based on six strategic sustainability goals:

1

Reduce carbon dioxide emissions in relation to sales by five percent per year until 2025

2

Zero tolerance for workplace accidents

3

Satisfied Employee Index of at least 10

4

Zero tolerance for corruption

5

Implement at least five new installations annually with a focus on increased biodiversity

6

5 individuals each year employed from Green Steps

## Sustainability governance

The Board of Directors and CEO have ultimate responsibility for sustainability efforts within the Group. However, they have delegated some of that responsibility to the various subsidiaries.

Sustainability efforts are based on Green Landscaping Group's values and regulated via the Group's policies, where the Code of Conduct and Sustainability Policy serve as the foundation for this work. These policy documents provide us with guidance on how we shall create value, contribute to a sustainable society, prevent risks in our operations and manage unexpected events.

Our sustainability efforts are characterized by responsibility, openness, ethical behavior and respect for our stakeholders. We shall achieve sustainable development via our work with continual improvements, long-term customer relationships, skilled employees and planning of our operations.

## Follow-up of sustainability efforts

Follow-up and evaluation of sustainability efforts is on a regular basis that occurs at the business unit level in conjunction with other goal monitoring. It is also aggregated at the Group level. Results are discussed and action plans are implemented whenever there are deviations. Once per year, a more thorough evaluation is carried out of the current performance indicators and ongoing activities.





## UN Sustainable Development Goals most relevant to Green Landscaping Group

Green Landscaping Group has studied its own operations to identify the SDGs where it can make the most significant contribution. This was done during winter 2020/2021. The conclusion was that Green Landscaping Group should focus its sustainability efforts on SDG 8, 9, 11, 12 and 15 in order to make the most significant contribution.

### 8 DECENT WORK AND ECONOMIC GROWTH



#### SDG 8 Decent work and economic growth

In its role as employer, client of subcontractors and owner of subsidiaries, Green Landscaping Group is responsible for ensuring that individuals involved in operations work in an environment that is safe, secure, stimulating and non-discriminatory. By running a strategically well-founded and financial sound business, Green Landscaping Group can also contribute to economic growth for individuals and society.

### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



#### SDG 9 Industry, innovation and infrastructure

Through its operations, Green Landscaping Group contributes to sustainable infrastructures. This occurs through maintenance and construction of parks and green areas, along with maintenance and snow & ice removal on roads, for example. In order to be relevant in these areas, innovation is an integral part of the company's business model. Green Landscaping Group strives to, at all times, develop more efficient and sustainable methods in order to meet the requirements and expectations of its clients.

### 11 SUSTAINABLE CITIES AND COMMUNITIES



#### SDG 11 Sustainable cities and communities

This is part of the company's business model. Green Landscaping Group maintains and constructs green areas with the intention of creating environments that are safe, inclusive and accessible to all, regardless of age, gender, ethnicity and functional ability.

### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



#### SDG 12 Sustainable consumption and production

Through responsible waste management activities and essentially no use of chemicals in operations, Green Landscaping Group works in a very focused way to contribute to sustainable consumption and production within the area of ground maintenance. Diesel-fueled cars and petrol-powered tools are also being phased out and replaced by electric vehicles and tools. The digital transformation of society offers new opportunities in ground maintenance for making production even more resource efficient.

### 15 LIFE ON LAND



**SDG 15 Ecosystems and biodiversity** When Green Landscaping Group is involved in a project, it typically involves giving consideration to, protecting and developing biodiversity by, for example, establishing meadows and eradicating invasive species. Resource-efficient water use is another important area in which the company also takes many measures, for example by using water sacks for tree watering and by participating in projects to utilize stormwater in new construction and renovations.

## Stakeholder engagement

The most recent structured stakeholder engagement was carried out by Green Landscaping Group during winter 2020/2021. Employees, customers, owners, suppliers and investors were interviewed. Other stakeholders, such as government authorities, trade unions, industry associations and specialist networks, also have influence and expectations on the company's sustainability work, but the perspectives of these stakeholder groups have not been acquired specifically on this occasion. Feedback from these interviews served as the basis for the materiality analysis and it has influenced the selection of our focus areas.

## Plan for engagement

Besides these in-depth interviews, Green Landscaping Group regularly collects various stakeholders' perspectives on the company's operations. An overall description of how this works is provided below.

Stakeholder groups	Plan for engagement
Employees	Annual employee surveys, site meetings, performance appraisals, collaboration with unions
Customers	Regular meetings with customers, evaluation meetings and annual customer satisfaction surveys
Suppliers	Recurring contacts, procurements, requests for quotations, follow-up meetings, planning and coordination meetings.
Shareholders and investors	Interim reports, annual general meeting and meetings/events with investors.
Interest groups	Membership and participation in various industry organizations and interest groups.
Society	Contact with government authorities, legislators and municipalities and meetings to discuss current matters, as needed

## Materiality analysis

The point of departure for preparing the materiality analysis was the UN Sustainable Development Goals that the company has decided to prioritize, along with feedback collected from engagement with stakeholders and perspectives of the company's other stakeholders on the material sustainability issues that Green Landscaping Group should focus on.

The interviews carried out as part of the stakeholder engagement process during winter 2020/2021 focused on the sustainability issues that Green Landscaping Group has determined it can contribute the most to, or those most relevant to the company's operations.

Green Landscaping Group has evaluated the results of its engagement with stakeholders and compared them to its own assessment of the company's ability to contribute to and impact the various sustainability issues. The results revealed the issues that are most relevant to the company's operations and thus the areas that the company should focus on when pursuing its sustainability work.

Green Landscaping Group has decided to summarize these issues into three focus areas:

1

Climate-adapted production

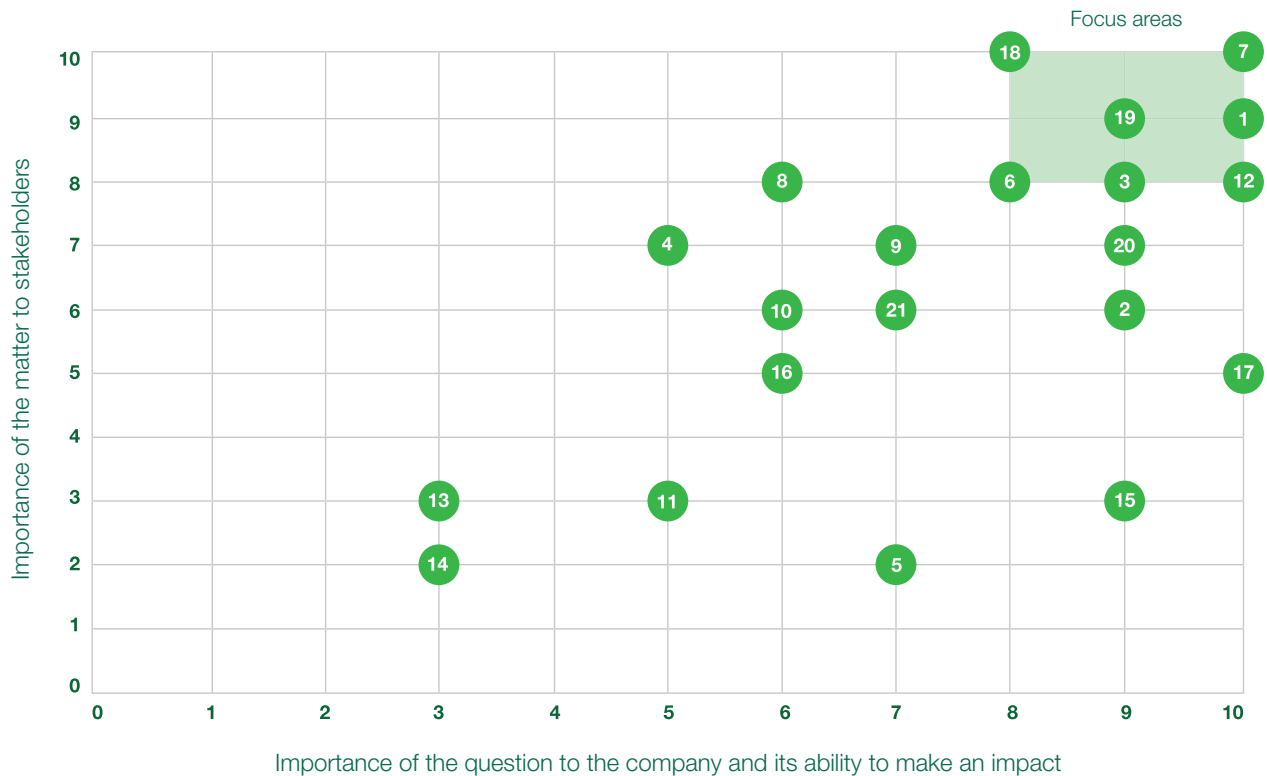
2

Safe, stimulating  
and inclusive workplace

3

Sound business relations for  
stable financial development





## ENVIRONMENTAL SUSTAINABILITY

1. On a scale of 1-10, how important do you feel that it is for Green to be working to lower the negative climate impact of its operations?

2. On a scale of 1-10, how important do you feel that it is for Green to be working to lower energy consumption?

3. On a scale of 1-10, how important do you feel that it is for Green to be working to lower resource consumption and for higher circularity?

4. On a scale of 1-10, how important do you feel that it is for Green to be working on responsible waste management?

5. On a scale of 1-10, how important do you feel that it is for Green to be working to preserve biodiversity?

6. On a scale of 1-10, how important do you feel that it is for Green to be working to lower the use of chemical pesticides and other chemicals?

## SOCIAL SUSTAINABILITY

7. On a scale of 1-10, how important do you feel that it is for Green to be working to create a safe and secure work environment for its employees?

8. On a scale of 1-10, how important do you feel that it is for Green to be working for good health and well-being among its employees?

9. On a scale of 1-10, how important do you feel that it is for Green to be working on equality between men and women in its workplaces?

10. On a scale of 1-10, how important do you feel that it is for Green to be working on diversity among its employees?

11. On a scale of 1-10, how important do you feel that it is for Green to be actively working with initiatives to achieve better social integration in society?

12. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a high level of employee engagement?

13. On a scale of 1-10, how important do you feel that it is for Green to prioritize activities that create security, within the scope of its work with maintenance of green areas and other public areas?

14. On a scale of 1-10, how important do you feel that it is for Green to prioritize activities that increase accessibility, within the scope of its work with maintenance of green areas and other public areas?

## BUSINESS SUSTAINABILITY

15. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a higher level of entrepreneurship in society/within its business?

16. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a higher level of innovative power in society/within its business?

17. On a scale of 1-10, how important do you feel that it is for Green to be working with responsible purchasing and relationships with its sub-suppliers and subcontractors?

18. On a scale of 1-10, how important do you feel that it is for Green to be working to counteract corruption?

19. On a scale of 1-10, how important do you feel that it is for Green strives to have a sound and stable financial position?

20. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a good level of profitable economic growth through ethically and morally responsible operations?

21. On a scale of 1-10, how important do you feel that it is for Green to deliver cost-effective ground maintenance with focus on the user?

## 1

## Focus area 1:

### Climate-adapted production

Green Landscaping Group shall run the business and carry out ground maintenance assignments with the aim of avoiding any negative climate impact. The long-term goal is to be climate-neutral, which is also a demand from our key customers. Through these priorities, Green Landscaping Group contributes to SDG 9, 11, 12 and 15. The work focuses on:



Conscientious efforts to improve energy and resource efficiency via the choice of machinery, tools and working methods. Petrol and diesel-powered vehicles and tools are being replaced with electrically powered ones, to the extent possible. Work methods can be made more energy efficient through work planning.



Conscientious efforts to lower the amount of waste produced by the organization facilitate circularity and improvements in waste management. Various measures to achieve this occur in the purchasing function, with the choice of working methods and in work planning.



Conscientious efforts to reduce the use of chemicals used in the business. Chemical pesticides are only used to a very limited extent. Alternative methods are regularly evaluated with the aim of zero use.

#### PERFORMANCE INDICATORS

KPI	2019	2020	Unit	Comments
CO2 emissions, Scope 1	4.022	4.517	Tons of CO2 equivalents	The results are based on companies there were part of the Green Landscaping Group at the start of the year.
CO2 emissions, Scope 1, as a percentage of sales	3.60	2.69	X tons CO2 equivalents/ SEK million in sales	Positive trend, attributable to electrification and newer machinery.
CO2 emissions, Scope 2	161	479	X tons of CO2 equivalents	The results are based on companies there were part of the Green Landscaping Group at the start of the year.
CO2 emissions, Scope 2, as a percentage of sales	0.14	0.28	X tons CO2 equivalents/ SEK million in sales	The increase is in part attributable to electrification, also, that the rent for premises of acquired companies does not include electricity.
Energy consumption (of which X percent from biofuel)	0.82%	1.26%	%	The increase is primarily attributable to an increased use of HVO100.
Registered products in chemical management system		791	Number	The goal is to reduce the number of chemicals used in the business and measured in the companies that have digital systems for chemical management.

Data includes the companies that were part of the Green Landscaping Group at the beginning of each year.



## Measures to lower energy consumption and greenhouse gas emissions

Green Landscaping Group falls under the scope of the Swedish Law on Energy Audits in Large Companies (2014:266). The calculations show that the company's largest climate impact comes from transports work with machinery, since these things primarily rely on fossil fuels. That is why it is within this area that measures are being prioritized.

All administration of the company's vehicles is done internally, in a single car pool. It helps ensure that the oldest vehicles are sold first and that newer cars are reallocated within the organization, making adjustments as needed when own demand for vehicles either increase or decreases in various parts of the organization. Through the rejuvenation of the vehicle and machinery fleet, the proportion of fuel-efficient vehicles and machines is increasing, which contributes to both lower environmental impact and cost savings.

Examples of other efforts that are also being made to reduce energy consumption and greenhouse gas emissions:

- More use of electric cars for shorter transports.
- More use of electric power tools.
- Implementation of a working method for route planning that results in shorter routes, lower fuel consumptions and cost savings.
- Studies of, and measures to impact and lower, our energy consumption at office premises, storage facilities and staff rooms.
- Within the scope of its operations, Green Landscaping Group plants trees, bushes and sedum, which partially compensates for the company's own emissions.

## Management of environmentally hazardous products

Green Landscaping Group has routines in its management system for storage, use and waste management of environmentally hazardous products. Management of chemical products is continually monitored. In addition, the safety and product information for the chemical products we use is available in a mobile app so that our employees can easily access the information on site. Chemical products are generally used to a very small extent. For ground maintenance, essentially all of the work is based on mechanical methods. When that is not possible however, we always choose the least hazardous products and have strict rules and documentation requirements for our use of chemical pesticides.



## Waste and recycling

Green Landscaping Group's maintenance work generates various types of waste, such as organic waste from land management and unsorted waste from bins. With landscaping activities, waste is often generated in the form of old, torn-up asphalt, concrete and wood. From the organization's own activities, there is office waste, electronics and some chemical residues and packaging. In the company's management system there are routines for how all types of waste are to be managed such that there is the lowest possible environmental impact. Most of the waste is sorted and left for recycling. Organic waste is reused in the company's own operations. Green Landscaping Group has its own permit for the transport of non-hazardous waste, and cooperates with subcontractors who have a permit for the transport of other waste.

## Risk inventory

The company has primarily identified two types of risks related to the focus area of climate-adapted production.

- Climate change could result in a higher need for ground maintenance as a result of more rainfall and warmer temperatures. A higher level of activity will result in higher costs during summer. However, higher temperatures in winter also lower the demand for services, and thus our revenue (when we get rain instead of snow).
- Inadequate implementation and/or compliance with external laws, policies and guidelines in the environmental area. An internal sustainability group has been established to counteract this risk. It provides support to the organization on matters having to do with the environment and sustainability.

## 2

## Focus area 2: Safe, stimulating and inclusive workplace

Green Landscaping Group's most important resource is its employees. Committed, motivated employees create the conditions for being able to deliver effectively and with high quality. Green Landscaping Group prioritizes activities in three areas in order to be an attractive employer and create the best possible conditions for its employees. In this way, the company contributes to SDG 8.



Green Landscaping Group has a zero vision for workplace accidents. It also has established routines for incident and accident reporting. Safety training is regularly offered to employees and subcontractors. Regular, systematic workplace inventories are also carried out to identify situations and tasks where action is required to develop and improve the work environment and safety.



Training and skill development are prioritized in order to create a participatory, motivating and stimulating workplace. Managers are trained in coaching leadership and there are routines in place for facilitating learning as part of daily work.



Green Landscaping Group absolutely believes in diversity in the workplace. The company is working proactively to increase awareness within the organization about this, which includes the recruitment function and leadership positions in particular.

### PERFORMANCE INDICATORS

KPI	2019	2020	Unit	Comments
Number of incidents	164	206	Number	Based on data from companies that were part of the Group at the beginning of the year.
Number of accidents (LTA)	61	113	Number	Based on data from companies that were part of the Group at the beginning of the year.
Fatal accidents	0	0	Number	Increase due to increased operation and introduction of IA-system.
Equality	21%	13%	Percentage women of the total number of employees, %	Acquired companies negatively impact the KPI.
Employee satisfaction eNPS	-1	-2	eNPS	Employee satisfaction is at a good level, with the goal of reaching a score of 10.
Number of individuals who have attended leadership training	-	270	Number of individuals	Follow-up started in 2020.



## Regular employee surveys

Green Landscaping has approximately 1,350 employees. Most of our employees are working at one of our local subsidiaries, where they meet with customers to discuss and implement the maintenance and landscaping of their outdoor environments.

Subsidiaries carried out employee surveys during the year. The response rate of the most recent survey was 75%, with eNPS of -2.

The results from our employee survey provide an important tool for further developing the company and workplace for our employees.

## Skill development

Green Landscaping Group strives to be an attractive workplace for our potential and existing employees, offering them interesting tasks and assignments, competent leadership, short decision paths, skill development and opportunities to both influence and make a difference.

Green Academy, a company-internal skill development program, was set up in 2016 as a way of increasing skill development of our employees. We collaborate with suitable third-party suppliers to offer trainings via this forum. Discussions are held with employees to identify skill areas which then become part of the training programs. All training at Green Academy is evaluated and documented in CV and skills databases. Certifications are stored digitally and presented to potential customers during tendering processes.

The following training initiatives were carried out within the scope of Green Academy in 2020:

- The leadership program for team managers and production managers has been completed and there were more than 230 participants. Follow-up on results has been carried out and those who achieved the goals were awarded diplomas.
- The first Mentorship program for talent within the organization was completed and there were 10 participants (5 women and 5 men).
- A pilot project for validation of the expertise of skilled workers started up in collaboration with Trädgårdsnäringens Centrala Yrkes Kommitté - TCYK (a voluntary association of organizations in the outdoor environment sector). In tendering processes, this is sometimes required.
- The Executive program, with 30 participants, was

completed for regions South and West. For regions North, Middle and East, the program will be completed during spring 2021.

- The Atlas skills database has been implemented at many of the Group's subsidiaries.

## Skill development in combination with social integration

Green Landscaping Group has developed its own integration program, called Green Steps where, in collaboration with customers and government authorities, we help get new immigrants and the long-term unemployed into the workforce. We offer a combination of training and work experience during the 24-month duration of the program. The initiative strives to create an inclusive society and for the company, ensure that we have the expertise we require over the long term. Candidates who apply are selected much on the basis of their own individual interests. However, other criteria are also evaluated and used in the selection process, such as Swedish language skills and the candidate's own motivation. The program is entirely based on the OCN (Open College Network) method, which is a grass roots movement developed to recognize informal learning achieved by adults. It is a method that is increasingly being used within the outdoor environment sector.

The results were achieved within the scope of Green Academy in 2020:

- There are currently 25 participants in the Green Steps program.
- Of the three participants who completed the program in 2020, all have obtained employment.
- During the year, Region West created a training program for participants in collaboration with the City of Gothenburg and Region Västra Götaland. The training started in January 2021 with the goal of 15 Green Steps participants becoming validated and certified to work in our sector (YB1 or Basic certification).
- During the fall, collaboration was initiated with the City of Gothenburg's Committee for the Labor Market and Adult Education (NAV), which resulted in another 8 participants joining the Green Steps program in Gothenburg.

## Safe environment and healthy employees

Green Landscaping Group's operations fall within the scope of laws and regulations on health & safety and the work environment. To prevent accidents at work sites, we keep statistics and provide regular training to employees to ensure that the appropriate personal protective equipment is always

used. Through Green Academy (our employee training initiative) we identify the skill areas that our employees would like to develop within the scope of work environment risks.

As part of our management of accidents and incidents, we identify root causes and remedy problems at the source. We also improve the quality of our work and prevent both risks and recurring problems.

We actively work with preventive measures aimed at maintaining the well-being of our employees and reducing sick leave. Our aim is to ensure that employees on long-term sick leave, or with recurrent short-term absences, are offered rehabilitation and screening. We adapted our existing method to the UN Guiding Principles Reporting Framework. The framework has helped us upgrade our method and ensure that we have identified the most important risks with the most serious consequences, along with managing such risks.

## Equality and diversity

All employees are treated equally and we have an HR policy that is distributed to all employees. We value and encourage diversity in the organization, with a desire for it to reflect the diversity in our market. Everyone is assessed on the basis of their competence, both job seekers and employees alike. No forms of discrimination or harassment are tolerated and such behavior is proactively counteracted. Green Landscaping Group shall offer a workplace where all employees treat each other with respect. For all employees, this promotes health, work satisfaction and opportunities for developing their skills.

Green Landscaping Group is convinced that diversity is essential and neither discrimination nor harassment should ever occur. These are the prerequisites for creating a healthy, thriving work environment where we can derive the greatest benefits from each employee's expertise, while helping them further develop their skills. It also enables us to improve the company's offering and enhance profitability. The purpose is to ensure that everyone, regardless of differences, has the same opportunities regarding employment, working conditions and development opportunities.

## UN Principles on Human Rights

We are committed to following international standards stated in the UN Guiding Principles on Business and Human Rights, along with the ILO Declaration on Fundamental Principles and Rights at Work. Respect for human rights should permeate the entire organization. This is also a fundamental component of how we interact with our customers. Throughout the entire value chain, with suppliers and businesses,



there are risk areas where violations of human rights would have a negative impact on the company. For example, if a supplier were to violate our standards on human rights, it would not only damage our reputation, but also have a negative impact on daily production capacity when severing the relationship.

Our Code of Conduct states that all employees must respect the Universal Declaration of Human Rights adopted by the UN and follow international laws and agreements on child labor. Furthermore, no employee should ever experience discrimination based on age, gender, religion, sexual orientation, political opinions, ethnicity or membership in a trade union. All employees are encouraged to report violations of applicable laws/regulations or lack of compliance with our Code of Conduct. Our Code of Conduct and policies specify the standards upon which we run the business, along with how our employees and suppliers are expected to behave such that we meet our obligation of respecting human rights. Overall responsibility lies with the CEO and Board of Directors.

## Risk inventory

Green Landscaping Group has identified the following risks related to the focus area of safe, stimulating and inclusive workplace:

- There is a risk that our employees, subcontractors or other third parties fail to comply with health & safety regulations, environmental regulations or that they fail in other ways. In conjunction with providing services, such failures could result in personal injury, or in the worst case, death.
- There are risks of human rights not being fulfilled in our daily activities. This can be due to incorrect or failed internal processes associated with social commitments, human error, legal risks and corruption.



## 3

## Focus area 3: Sound business relations for stable financial development

A prerequisite for successful business relations is having sound relations with customers, suppliers and other business partners, along with a stable financial position that makes it possible to run and develop a successful business. In order to that, Green Landscaping Group prioritizes two areas and in doing so, contributes to SDG 8.



To counteract corruption, Green Landscaping Group has routines in place for ensuring that its suppliers comply with laws and regulations. Employees of the Group must also comply with the Code of Conduct, which clearly prohibits and distances itself from illicit benefits and bribes.



Green Landscaping Group achieves a stable financial position through the strategy adopted by the Board, which shall make it possible to achieve annual sales growth of 10 percent, an EBITA margin of 8 percent as a measure of profitability and a gearing ratio that should not exceed 2.5.

### PERFORMANCE INDICATORS

KPI	2019	2020	Unit	Comments
Confirmed cases of corruption	0	0	Number	Only Swedish suppliers are being checked at this time.
Number of suppliers not meeting the criteria for approval after checking F-tax certificate/ credit rating.	5	7	Number	Confirmed cases are reported to the unit responsible for implementing remedial action, or, the collaboration is terminated.
Subcontractors checked for credit rating/F-tax certificate/ID06	223	357	Number	Swedish suppliers.
Suppliers that have signed the Code of Conduct or similar	198	219	Number	Swedish suppliers.
Number of whistleblower cases	1	1	Number	Matter remedied without significant impact.
Satisfied Customer Index (CSI)	27	27	CSI	The figure is based on companies in the Group that have carried out a customer survey.
Sales	2134.7	1992.6	SEK million	Sales growth was positively impacted by acquisitions, but negatively impacted by the mild winter, primarily in Q1 2020.
EBITA margin	4.7	4.5	%	There has been a positive impact on the margin from synergies that have been realized, along with the contribution from companies acquired during the year. The mild winter and Covid-19 have had a negative impact on sales and earnings.
Gearing ratio	3.3	2.8	Times	The level of indebtedness is deemed satisfactory given the future anticipated growth, since indebtedness decreases (everything else held constant) as a result of the cash flow from operations.



## Code of Conduct

The purpose of the Code of Conduct is to communicate our ethical values and business principles to all of our employees, customers, suppliers, business partners and owners. It also provides us with guidance when carrying out our everyday tasks. Areas covered include conflicts of interest, gifts and entertainment, bribery and many other important topics. The Code of Conduct has been adopted by Green Landscaping Group's Board of Directors. The Group's CEO has delegated responsibility for its implementation and ensuring compliance with the Code to the CEO of each subsidiary. All employees are informed of the Code of Conduct and required to sign that they have read, understood and are committed to following the principles therein.

The Code of Conduct is based on five main areas:

1. Compliance with all applicable laws and regulations, along with the collective agreements that the company has signed.
2. Maintaining a high level of ethical behavior and respecting the rights and dignity of all people and partners with whom we engage. Furthermore, we must never accept, offer or confer illegal benefits or gifts.
3. Never, in any way, competing with the company's business operations and completely avoiding conflicts of interest that could damage the Group.
4. Keeping the company's business, financial and technical information along with internal business documents strictly confidential and never abusing Green Landscaping's or other companies' tangible or intangible assets.
5. Actively striving to comply with Green Landscaping Group's Code of Conduct.

Green Landscaping Group's Code of Conduct has been published on the company's website, <https://www.greenlandscapinggroup.se/wp-content/uploads/A12.-Uppforandekod.pdf>

## Measures to combat corruption

Green Landscaping Group's size makes it possible for us to set requirements on sustainability at many levels. We also strive to lower the total number of suppliers so that we can ensure integrity and sustainability throughout the entire supply chain.

For Green Landscaping Group, anti-corruption efforts are a strategic sustainability goal and we actively pursue anti-corruption initiatives both internally and externally. Our Code of Conduct covers many areas, such as conflict of interest, gifts and entertainment, the environment, work environment, and our relationships with both suppliers and subcontractors. We have routines in place for assessing and approving our suppliers. The aim is to ensure that our suppliers comply with all binding requirements and that we have control over our supplier base. The routines involve checks on the following:

1. Reports on the supplier's credit rating and that the supplier has an F-tax certificate.
2. That the supplier has ID06 (a system for electronic personnel registries in the construction industry for the purpose of creating a safer work environment and ensuring that only a legal workforce is present on the construction site)
3. The supplier must confirm with Green Landscaping Group that they comply with the applicable legislation, our purchasing terms and our Code of Conduct.

Our goal is for all of Green Landscaping Group's suppliers to have been issued and informed about our Code of Conduct and Sustainability Policy.

## Whistleblower function

Green Landscaping Group has established a whistleblower function for employees to report any suspected cases of misconduct within the company. A stated goal is that all employees should be treated well and feel safe and secure.



The routine is part of Green Landscaping Group's preventive efforts to combat corruption, irregularities and misconduct. Reports are made to the Chairman of the Board, Per Sjöstrand as independent. In 2020, one case was reported through the whistleblower function.

### Third-party certified management system for quality, the environment and work environment

Green Landscaping Group's management system has been third-party certified. The system covers environmental management in accordance with ISO 14001:2015, quality management in accordance with ISO-9001:2015 and health & safety management in accordance with OHSAS 18001:2007. The standards, and our management system put demands on us as a company and our employees to follow the applicable legislation, along with other rules and regulations. Examples of such are Swedish laws, regulations issued by the national and/or municipal authorities, industry regulations, etc. We do this by:

- Monitoring changes in the relevant legislation, rules and regulations.
- We then alter our routines and guidelines based on such changes.
- We ensure that our employees are informed about the applicable rules, regulations and legislation.

### Purchasing

Green Landscaping Group collaborates with carefully selected suppliers of both goods and services, always striving to set up long-term business relationships. The subcontractors we engage represent us when carrying out their assigned tasks and accordingly, it exposes us to certain quality, environmental and work environment risks. Therefore, we have an accreditation system set up for our subcontractors. The purpose is to ensure compliance with our requirements. It is also a requirement that all of our centrally procured suppliers and subcontractors have accepted our "Code of Conduct for Suppliers and Subcontractors"

### Satisfied customers

Good service is important to us. Satisfied customers is a key success factor for growing the company and developing our business. Otherwise, we face the risk of slow processes, appeals and negative publicity. We also have a responsibility to contribute to social sustainability and tolerance in society. Our interaction with customers occurs both digitally and directly.



The results from customer surveys are taken seriously and we take action to improve our processes and plans so that we can increase value to customers.

### Stable financial development

Much of our sustainability work is focused on making responsible financial decisions. For our customers, it is very important that Green Landscaping Group has sustainable, stable operations and a good credit rating. Since 2017, Green Landscaping Group has been focusing on profitable growth via both organic growth and acquisitions. Green Landscaping Group strives to maintain solid creditworthiness corresponding to at least an "A" rating in the Bisnode Soliditet credit rating system.

### Risk inventory

Green Landscaping Group has identified the following risks related to the focus area of sound business relations for stable financial development:

- Corruption primarily arises through interaction with suppliers since collaboration with suppliers on the service side often is relationship-based. This risk applies to everyone who is in some way involved in purchasing, from the head of purchasing to individual workers.
- Green Landscaping Group engages subcontractors to supplement its own staff. There is a risk that subcontractors fail to comply with the laws and requirements applicable to our operations, as regards such things as quality, the environment and work environment.

# Green Academy

## Skill development

Green Landscaping Group strives to be an inclusive employer and the obvious choice in our sector. We want to attract and retain the best talent, along with creating opportunities for development for our employees. We also continually strive to ensure that our employees have the right expertise required for the company's own processes while simultaneously meeting all legal requirements. This is a key success factor

for winning major public sector tenders.

Green Academy has the goal of conducting active skills development that promotes learning and stimulates growth for employees and the company. A variety of trainings are offered through the Green Academy program that can help our employees become stronger in their assigned roles. When our employees grow and thrive, so does the company.

## Results in 2020

The leadership program for team managers and production managers has been completed and there were more than 230 participants. Follow-up on results has been carried out and those who achieved the goals were awarded diplomas.

The first Mentorship program for talent within the organization was completed and there were 10 participants (5 women and 5 men). Mentors have been recruited from both private industry and the public sector. The result at the individual level has been estimated. The next round is expected to start up during fall 2021.

A pilot project for validation of the expertise of skilled workers started up in collaboration with Trädgårdsnäringens Centrala Yrkes Kommitté - TCYK (a voluntary association of organizations in the outdoor environment sector). It will provide the foundation for skill requirements in tendering processes.

The Executive program, with 30 participants, was completed for regions South and West. For regions North, Middle and East, the program will be completed during spring 2021.

The program covered such areas as business acumen, strategy and financial expertise for senior executives.

The Atlas skills database has been implemented at many of the Group's subsidiaries. The database helps in preparing tenders with requirements on specific skills and expertise.

During the year, the City of Gothenburg, Region Västra Götaland and Green Landscaping Group reached an agreement on skill development for participants in the Green Steps program. Training is one day per week, starting in January 2021.









# Green Steps

## Skill development

Green Steps is an initiative of the Green Landscaping Group to demonstrate that it is possible to create win-win situations for taking social responsibility in collaboration with society and individuals.

In 2019, unemployment was more than 6 times higher for people with a low education compared to those who had at least 3 years of post-secondary education. Almost 1 in every 5 with only pre-secondary education were unemployed and it is primarily foreign-born individuals who are low-educated. Of all unemployed persons 15-74 years old with only pre-secondary education, slightly more than 70% were foreign-born\*. For foreign-born individuals with only pre-secondary education, unemployment was (2020) 40.1%\*\* . This is the main target group for Green Steps.

For each person who transitions from unemployment benefits to gainful employment, the benefit to society is SEK 346,000/year\*\*. For those who are in the establishment phase or receiving income support, the societal benefits are much higher. If we make a conservative calculation that, on average, it takes 8 years (49.9% after 8 years\*\*\*) for each new immigrant with only pre-secondary education to gain employment, each non-employed person costs SEK 2.7 million.

The program focuses on new immigrants and long-term unemployed who lack meritorious education or work experience. After a short internship period, employment is in the form of a trainee program that stretches over 24 months. The goal is for the participants to become validated and certified to work in our sector (YB1 certification).

The program started up in 2018 and it has been successful. It has generated the following effects:

PARTICIPANT	GREEN	MUNICIPALITY	SOCIETY
Obtains employment at a fixed salary (fixed-term) with a trained supervisor for "on-the-job" learning.	Ensures the supply of skilled employees.	Tax revenue	Lower costs.
Paid external and internal training, based on need.	Obtains financial support during the training period.	Less income support	Less exclusion
Validation of achieved skill levels leading to certification	Establishes channels for procurement and opportunities to influence certain evaluation criteria, such as skill requirements and social considerations.		Sustainability
Provides immigrants with opportunities to develop their Swedish language skills.	Greater understanding for multicultural society.		
Opportunities to advance within the company and in working life in general with verified skills and expertise.	Goodwill and over time, increased competitiveness		

Sources:

\*Arbetslöshetsrapporten 2020 (SCB, AKU), report from Statistics Sweden on unemployment

\*\* Ekonomifakta (SCB) Arbetslöshet - utrikefödda (2021), report from Statistics Sweden on unemployment among immigrants

\*\*\* Ekonomifakta (SCB) Flyktinginvandringens förvärvsfrekvens (2018), report from Statistics Sweden on unemployment rate of refugee immigration





Green Steps is an initiative of the Green Landscaping Group to demonstrate that it is possible to create win-win situations for taking social responsibility in collaboration with society and individuals.

## Results in 2020

---

There are currently 25 participants in the Green Steps program.

Of the three participants who completed the program in 2020, all have obtained employment.

Region West has been most active during the year by creating a training program for participants in collaboration with the City of Gothenburg and Region Västra Götaland. The training started in January 2021 with the goal of 15 Green Steps participants becoming validated and certified to work in our sector (YB1 or Basic certification).

During the fall, collaboration was initiated with the City of Gothenburg's Committee for the Labor Market and Adult Education (NAV), which resulted in another 8 participants joining the Green Steps program in Gothenburg.





# Digitalization

For quite some time, Green Landscaping Group has been working with various digital tools in the organization. In 2020, several pilot projects were started up in Region West aimed at accelerating and gaining benefits from digitalization within a variety of business areas and processes. Green Landscaping Group understands that digitalization can help companies in the Group develop. Furthermore, the services we provide can generate even more value to our customers by making this transition. With modern tools, we can optimize our use of resources and deliver a higher level of quality with the services we provide. It also helps us lower the environmental impact. The digital tools and processes that we develop typically go hand-in-hand with the Lean initiative that we pursue within the Group, aimed at systematically following up on the work performed and removing whatever does not generate value.

Digitalization can enhance work via self-developed apps for mobile devices such as phones or tablets that are used in the daily work for such things as time reporting or various forms of own checks and inspections at properties and playgrounds, for example. The apps are integrated with other processes in the organization, along with our ERP system. Robotic Process Automation (RPA) is used to create documentation for our customers, such as reports once the work in the field has been completed. And these are generated automatically, without our employees needing to spend any additional time in the office on this task.

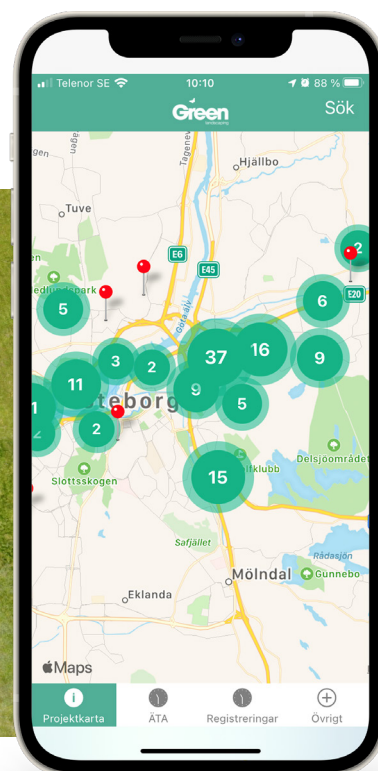
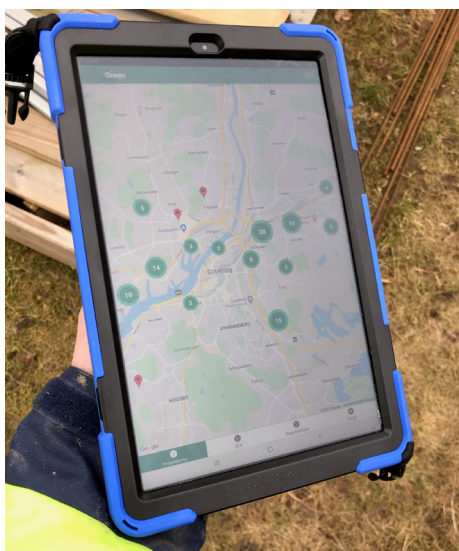
In 2020, efforts also got underway to create a digital map of our various customer projects. Obtaining an overview of where are projects are located geographically facilitates opportunities

for analyzing and optimizing how work is allocated between different groups. It also makes communication with customers and communication within the Group easier.

As part of this effort, we are also using GPS technology on our vehicles, which includes regular transport vehicles, and other types of mowers and trucks. GPS data is an important tool in the digitalization effort and together with the digital map of our projects, we can use it to follow up on work performed. In 2020, we used this in various pilot projects to check where we have been and when. For example, we have used this to follow up on mowing and street cleaning.

Green Landscaping Group will continue to make investments in digitalization and in 2021, we will increase the number of projects and application areas, one of which is route planning. Over time, we will be able to use the data that we are collecting in modern AI methods to identify more optimal routes, plan our work even better and further optimize our use of resources. It will also ultimately have a positive impact on the Group's carbon footprint by lowering emissions.

Green Landscaping Group has also participated in research projects on how self-driving vehicles can be used in our operations. Pilot projects are underway on the use of robotic lawn mowers, where golf course maintenance is an area where we see potential for being able to deliver even better service to our customers.







# Green Landscaping Group stock

Green Landscaping Group AB (publ) stock became listed on Nasdaq First North under the ticker "GREEN" in March 2018. In April 2019, Green Landscaping changed its marketplace to Nasdaq Stockholm Small cap.

## Share capital

As of 31 December 2020, share capital amounted to SEK 3,388,616, allocated to a total of 47,726,987 shares with a quotient value of SEK 0.071. Since the IPO, a number of new share issues have been executed in conjunction with acquisitions, as well as one rights issue.

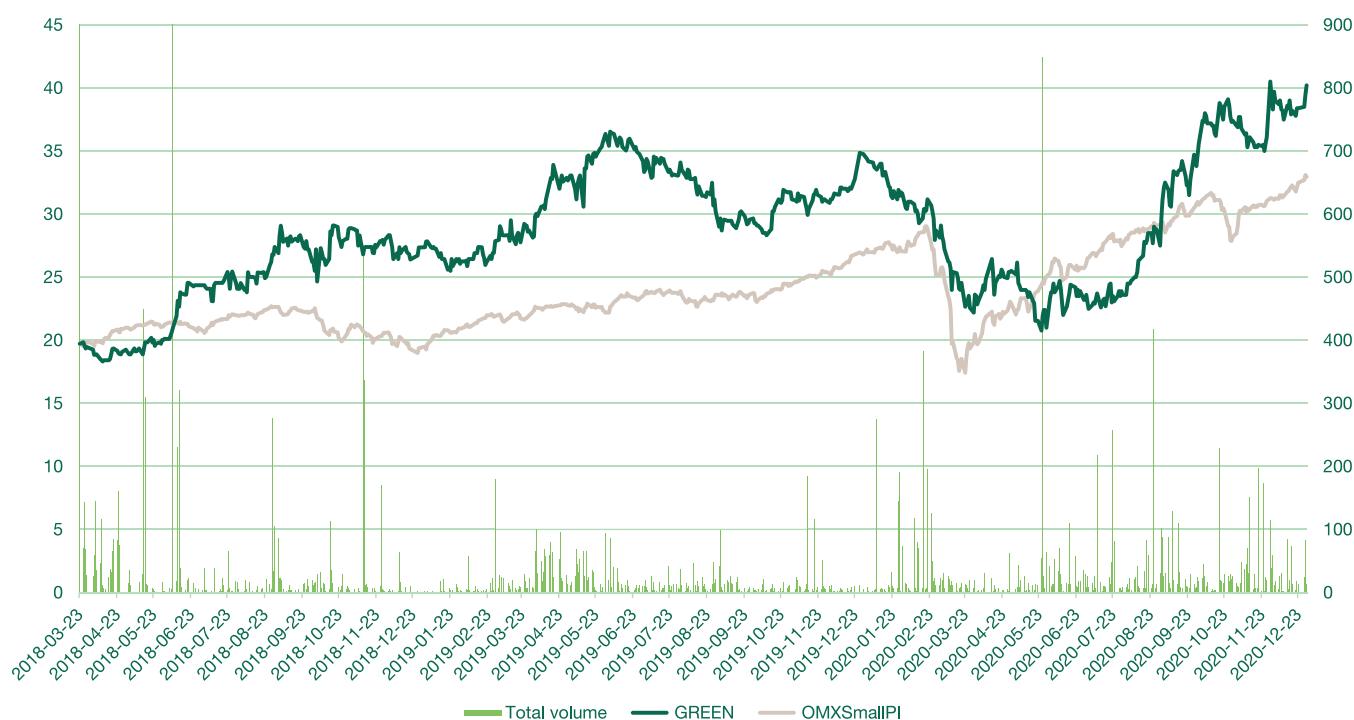
All shares are of the same class, with equal voting rights and share of the company's capital and profits.

## Trading in Green Landscaping Group stock

The closing price on the last day of trading, 30 December 2020, was SEK 40.20, corresponding to market capitalization of just over SEK 1.9 billion. In total, 8,822,763 were traded during the year, corresponding to a value of approximately SEK 260 million. The average number of shares sold per trading day was 35,011. A repurchase of shares occurred during the year. The AGM's authorization to issue new shares was also implemented.

## Shareholders

As of 31 December 2020 there were 1,839 known shareholders. The company's ten largest owners accounted for 70.1% percent of the share capital and votes. Byggmästare Anders J Ahlström Holding AB was the largest single shareholder, with 20.0 percent of the shares.



During trading day 2018-03-23 and 2018-06-08, 2.9 and 10.1 million shares were traded, respectively.



# Why invest in Green Landscaping Group?

## 1

### INDUSTRY-LEADING PROFITABILITY

- Industrialized processes that have increased profitability since 2015
- Further streamlining possible through Lean
- Strong market position that facilitates good profitability

## 2

### M&A FOCUS

- Proven acquisition ability
- Ambitious acquisition strategy for the future
- Established the business in Norway in 2020 by acquiring four companies, along with a fifth in March 2021.
- Strong market position that facilitates good profitability

## 3

### ORGANIC GROWTH WITH SUPPORT FROM STRUCTURAL MARKET TRENDS

- A stable market (not cyclical) fueled by favorable trends

## 4

### CONDITIONS FOR GENERATING RETURN

- Low need for working capital
- Limited investment need results in low CapEx

## 5

### LARGE AND DIVERSIFIED CONTRACT PORTFOLIO LOWERS RISK

- A portfolio characterized by a mix of long contracts and strong customers in both the public and private sectors

## 6

### SUSTAINABLE, FUTURE-SAFE GREEN ACTIVITIES

- We create green cities
- Contribute to safer outdoor environments and biodiversity
- Continuously striving to lower our CO2 emissions

#### Largest shareholders as of 31 December 2020

	No. of shares	% of equity
Byggmästare Anders J Ahlström Holding AB	9,550,123	20.0%
Salén family via company	8,432,298	18.0%
Johan Nordström via company	3,745,922	8.0%
AFA Försäkring	2,826,250	5.9%
Per Sjöstrand via company	2,086,107	4.4%
AP3, Third Swedish National Pension Fund	2,063,750	4.3%
ODIN Fonder	1,250,000	2.6%
Formica Capital AB	1,150,000	2.4%
Peter Lindell via company	1,149,203	2.4%
Roger Carlsson via company	977,158	2.1%
<b>Total, 10 largest shareholders</b>	<b>33,230,811</b>	<b>70.1%</b>
Other shareholders	14,496,176	29.9%
<b>Total</b>	<b>47,726,987</b>	<b>100%</b>







# Corporate Governance Report

## Corporate Governance Report

Green Landscaping Group AB is a Swedish public limited company that is governed by Swedish legislation, primarily the Swedish Companies Act (2005:551), the Annual Accounts Act (1995:1554), and EU Regulation 596/2014 on Market Abuse (MAR), which has provided the foundation for preparation of this corporate governance report. Because the company's shares are listed on Nasdaq Stockholm, the company also complies with the Nasdaq Stockholm's rules and regulations.

Besides the legislation and Nasdaq Stockholm's rules and regulations, Green Landscaping Group AB is governed by its Articles of Association, which provide the foundation for the company's corporate governance. The Articles of Association stipulate such things as the Board of Directors' registered office, the focus of operations, limitations on share capital, the number of shares and prerequisites for being allowed to participate in the AGM. The full version of the Articles of Association are published on the company's website.

The company also applies internal governance documents adopted by the Board of Directors each year. Examples are the rules of procedure for the Board of Directors, instructions for the Board's committees, instructions for the CEO, instructions for financial reporting and policies.

### Swedish Code of Corporate Governance

The Swedish Code of Corporate Governance states higher standards for good corporate governance than the minimum requirements in the Companies Act and it must be applied by all companies whose shares are traded on a regulated market in Sweden. The Code thus supplements the Companies Act by, in some areas, stating higher requirements. However, it simultaneously enables the company to deviate from those requirements if, in individual cases, doing so would result in better corporate governance ("comply or explain"). Such a deviation, along with a reason for the deviation and alternative solution, must be reported each year in a Corporate Governance Report.

Green Landscaping Group AB applies the Swedish Code of Corporate Governance and there were no deviations from the Code in 2020.

## Sustainability governance at Green Landscaping Group AB

Green Landscaping Group AB's sustainability efforts are characterized by responsibility, openness, ethical behavior and respect for our stakeholders. We achieve sustainable development via our work with continual improvements, long-term customer relationships, skilled employees and planning of our operations.

The foundation for our efforts is presented in our Sustainability Policy and our Code of Conduct. These policy documents provide us with guidance on how we shall create value, contribute to a sustainable society, prevent risks in our operations and manage unexpected events.

The Board of Directors and CEO have ultimate responsibility for sustainability efforts within the Group. However, they have delegated some of that responsibility to the various subsidiaries and business units. The Sustainability Report for Green Landscaping Group is presented on page 30 of the 2020 Annual Report.

### Share capital and shareholders

Share capital amounts to SEK 3.4 million, allocated to a total of 47,726,987 shares with a quotient value of SEK 0.071. At the end of 2020, Green Landscaping had 1,839 known shareholders. At year-end, the 10 largest shareholders controlled 70.1 percent of the share capital. The 3 largest owners were: Byggmästare Anders J Ahlström Holding AB (20.0% of the share capital and votes), Staffan Salén and family via Westindia AB (18.0%) and CEO Johan Nordström via Johan Nordström Invest AB (8.0%). Just over 20 percent of the share capital and votes are owned by employees of the Group (including the CEO).

There are no limits on the number of votes that each shareholder may cast at the annual general meeting.

The AGM granted the Board of Directors authority to repurchase own shares and to carry out a new issue of shares.

The stock has been listed on Nasdaq Stockholm since April 2019. For more information on the stock and shareholders, please see pages 50-51.

### Annual General Meeting

The shareholders exercise their influence in Green Landscaping Group AB at the Annual General Meeting of shareholders, which is the company's highest decision-making body. At the Annual General Meeting (AGM), which, according to the Companies Act, shall be held within six months from the end of each financial year, a decision shall be made on the adoption of the income statement and balance sheet, disposition of the company's profit or loss, discharge from liability towards the company for the board members and the CEO, election of board members and auditors as well as remuneration to the board and auditor. At the Annual General Meeting, the shareholders also make decisions on other key issues in the company, such as changes to the Articles of Association, any new issue of shares and other similar matters. If the Board of Directors sees a need for holding a general meeting of shareholders before the next AGM, or if an auditor of the company or owner of at least 10 percent of all shares in the Company submits a written request to hold such a meeting, the Board will then summon shareholders to an extraordinary general meeting.

Summons to a general meeting of shareholders must, in accordance with the Articles of Association, be published in the Swedish Gazette and on the company's website. It is also necessary to publish that the summons has been issued in Dagens Industri (newspaper). Notice of the Annual General Meeting must be issued at least six weeks, but no less than four weeks prior to the meeting. Notice of an extraordinary general meeting, where the question of amendment to the Articles of Association will be dealt with shall be issued no earlier than six and no later than four weeks before the meeting, while notice of any other type of extraordinary general meeting shall be issued no earlier than six weeks and no later than three weeks before the meeting.

Shareholders who wish to participate in the negotiations at the Annual General Meeting must be entered in the share register in the manner prescribed in the Swedish Companies Act, and make a notification to the company no later than the day specified in the notice convening the meeting. That final day for making notification may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve.

Furthermore, it may not fall earlier than the fifth weekday before the meeting. Shareholders may bring assistants with them to the AGM only if they notify the company of the number of assistants they would like to bring, in accordance with the procedures that apply for shareholder registration to the AGM.

Notices, minutes and press releases from general meetings are available on the Green Landscaping Group AB's website.

### Nomination Committee

The Nomination Committee submits proposals to the Annual General Meeting, on the person who should serve as the Chairman of the Annual General Meeting, the number of Board members to be elected by the AGM, the person who should be elected Chairman of the Board and others who should be elected as Directors, fees and other remuneration to each of the Board members elected by the AGM and to members of the Board's committees. Board members submit proposals for the election of auditors, fees to auditors, election of members to serve on the Nomination Committee or decisions on principles for appointing the members to the Nomination Committee, as well as remuneration to its members.

According to a decision by the 2020 Annual General Meeting, the Nomination Committee shall consist of four members - one member appointed by each of the three largest shareholders as of the last banking day in September and who wish to appoint a member of the Nomination Committee. The Chairman of the Board shall also serve on the Nomination Committee. Known stock trading groups are also considered when determining which are the largest shareholders in terms of voting power.

The nomination committee consists of:

- Marcus Trummer (appointed by Byggmästare Anders J Ahlström Holding AB)
- Erik Salén (appointed by Westindia Aktiebolag)
- Anders Thomasson (appointed by Johan Nordstrom Invest AB)
- Per Sjöstrand (Chairman of the Board)

The Nomination Committee bases its work on the Swedish Code of Corporate Governance when preparing proposals to Board members, all of it aimed at setting up the best possible Board of Directors. Selection is based on such factors as expertise, experience, diversity, ethnicity and gender.

### Board of Directors

After the AGM, the Board of Directors is Green Landscaping Group AB's highest decision-making body. The Board is also the company's highest decision-making body and the company's representative. The Board is also responsible for the company's organization and administration of its affairs,



along with assessing the company's and Group's financial situation on an ongoing basis and ensuring that the company is organized such that there are adequate controls on its bookkeeping, fund management and other financial matters. The Chairman of the Board has a special responsibility to lead the work of the Board and to ensure that the Board complies with its statutory requirements.

The Board's registered office is in Stockholm. According to Green Landscaping Group AB's Articles of Association, the Board of Directors shall consist of at least 3 and at most 10 Board members (without deputies). The Board of Directors currently consists of 6 ordinary members elected for the period until the end of the next AGM.

Of the six Board members elected by the AGM, five of them are independent in relation to the company and its senior executives. Accordingly, there is compliance with the Code in that the majority of the members are independent of the company and its senior executives and at least two of these members are also independent of major shareholders. The CEO is the only Board member involved directly in the company's operations. More information on the members of the Board of Directors is provided on pages 60-61.

The Board's tasks include establishing the company's overall objectives and strategies, monitoring major investments, ensuring that there is a satisfactory control of the company's compliance with laws and other rules that apply to the company's operations and the company's compliance with internal guidelines. The tasks of the Board also include ensuring that the company's information disclosure to the market and investors is characterized by openness and that it is correct, relevant and reliable, as well as appointing, evaluating and, if necessary, dismissing the company's CEO.

In accordance with the Swedish Companies Act, the Board of Directors has established a written rules of procedure for its work, which is evaluated, updated and re-established annually. The Board meets regularly according to a program established in the Rules of Procedure that contains certain fixed decision items and other matters to be taken up, when necessary.

## Work done by the Board in 2020

- The following acquisitions were made during the year: GAST Entreprenør AS, Park i Syd AB, TH Anlegg AS, Hadeland Maskindrift AS, Bengtssons Trädgårdsanläggningar AB, Oveland Utemiljø AS and Thormans Entreprenad AB.

- Adoption of the interim reports and annual report
- Decision on rights issue.
- Annual strategy day with management.
- Participation in selection of auditor.

## Remuneration to the Board of Directors

The 2020 AGM resolved that the fees paid to the Board of Directors through the next AGM shall amount to SEK 750,000, of which SEK 250,000 to the Chairman of the Board and SEK 125,000 to each of the ordinary Board members, except for the company's CEO, Johan Nordström. The AGM also resolved that a fee of SEK 75,000 shall be paid to the Chairman of the Audit Committee. Otherwise, no fees are paid to members of the Board's committees.

## Evaluation of the Board

To ensure and develop the quality of the work done by the Board, an evaluation of its efforts as a whole and of its individual members is carried out annually, under the Chairman's leadership. In 2020, the evaluation was conducted through a questionnaire that each member was asked to complete. The results of the evaluation were issued in writing to the members, who subsequently discussed this as a group at a Board meeting that was held in December 2020.

The Chairman of the Board has also presented the results of the evaluation at a meeting with the Nomination Committee.

## The Board's committees

The Board of Directors may set up committees with the task of preparing matters within a specific area and may also delegate decision-making rights to such a committee. However, the Board may not dismiss itself from responsibility for the decisions made on the basis thereof.

## Audit Committee

The Board of Directors has established an Audit Committee consisting of one member: Åsa Källenius. The Audit Committee shall, without it impacting the Board's responsibilities and tasks in general, among other things, monitor the company's financial reporting, monitor the effectiveness of the company's internal control, internal audit (if such function is established in the future) and risk management, keep informed about the audit of the annual report and the consolidated financial statements and on the conclusions of the Swedish Inspectorate of Auditors' quality control.

The committee shall also review and monitor the auditor's impartiality and independence and pay special attention to whether the auditor provides the company with services other than auditing. To the extent that the nomination committee is not given this task, the committee shall also assist in the preparation of proposals for the AGM's decision on the election of auditors.

Director	Position	When elected	Independent of the company & major shareholders	Attendance at Board meetings	Attendance at Audit Committee meetings
<b>Per Sjöstrand</b>	Chairman	2012	Yes/Yes	13/13	-
<b>Johan Nordström</b>	Director, CEO	2015	No/Yes	13/13	
<b>Staffan Salén</b>	Director	2018	Yes/No	13/13	-
<b>Åsa Källenius</b>	Director	2018	Yes/Yes	12/13	6/6
<b>Monica Trolle</b>	Director	2018	Yes/Yes	12/13	-
<b>Tomas Bergström</b>	Director	2020	Yes/No	7/7	-
<b>Stefan Dahlbo*</b>	Director	2019	Yes/No	5/6	-

\* Member of the Board of Directors for Green Landscaping Group during 15 May 2019 – 14 May 2020.

## Remuneration Committee

The Board has set up a Remuneration Committee consisting of the entire Board except the CEO, Johan Nordström: Per Sjöstrand, Tomas Bergström, Monica Trolle, Staffan Salén and Åsa Källenius. Per Sjöstrand is Chairman of the Remuneration Committee. The main tasks of the Remuneration Committee are to (i) prepare the Board's decisions on matters concerning remuneration principles, remuneration and other terms of employment for the senior executives, (ii) follow and evaluate ongoing and completed programs for variable remuneration for the senior executives during the year, and (iii) follow and evaluate the application of any guidelines for remuneration to senior executives established by the Annual General Meeting along with applicable remuneration structures and remuneration levels.

## CEO and other senior executives

The company's CEO is responsible for, in accordance with the Swedish Companies Act, the day-to-day management of the company in accordance with the Board's guidelines and instructions. The CEO is also responsible for taking the actions necessary to ensure that the company's accounting complies with law and that assets are managed in a satisfactory manner.

In relation to the Board of Directors, the CEO has a subordinated position and the Board may also decide itself on matters having to do with day-to-day management of the company. The CEO's work and role, as well as the division of labor between the Board of Directors and the CEO on the one hand, are stated in a written instruction adopted by the Board (the CEO instructions) and the Board of Directors regularly evaluates the work done by the CEO.



### Guidelines for remuneration to senior executives

At the 2020 AGM, the following guidelines for remuneration to senior executives were decided.

The basic principle is that remuneration and other terms of employment for senior executives must be market-based and competitive in order to ensure that the Group can attract and retain competent senior executives at a reasonable expense for the Company.

The total remuneration to senior executives shall consist of fixed remuneration, variable remuneration, pension and other benefits. To discourage senior executives from a temptation to take on unhealthy risk, there must be a fundamental balance between fixed and variable remuneration. Accordingly, an adequately large portion of the senior executive's total remuneration shall be fixed remuneration so that it is possible to set variable remuneration at SEK 0. Variable remuneration to a senior executive, or to an employee with a total remuneration level such that he or she can have a significant impact on the company's risk profile, may not exceed the amount of fixed remuneration.

Variable salary shall be paid in cash and based on the results in relation to performance targets within the individual area of responsibility (group or business area) and coincide with the shareholders' interests. Variable salary shall correspond to a maximum of 50 percent of the fixed annual salary for the CEO and a maximum of 35 percent of the fixed annual salary for members of the Group management team. Variable salary shall be pensionable unless otherwise agreed. If variable remuneration is paid out based on information that, upon revision, is later determined to be incorrect, the company shall be entitled to demand repayment of the amount that has been incorrectly paid out.

Senior executives shall, unless otherwise specifically agreed, be offered pension terms in accordance with the ITP plan or have the corresponding defined-contribution pension terms at the going market rate in the country where the senior executive has his or her permanent residence.

Other benefits, such as company car, extra health insurance or occupational health services, shall be of limited value in relation to other remuneration and may be paid to the extent that this is judged to be at the going rate in the labor market for senior executives in corresponding positions.

In the event of termination by the company, the period of notice for all senior executives shall be a maximum of 12 months with the right to severance pay after the end of the notice period corresponding to a maximum of 100 percent of the fixed salary

for a maximum of 12 months, i.e. fixed salary during the period of notice and severance pay for the senior executives shall not exceed 24 months of the fixed salary amount. As a general rule, any right to severance pay shall decrease in situations where remuneration during the current period is received from another employer.

In the event of termination by the executive, the period of notice shall normally be 6 months for the CEO and 3-6 months for other senior executives.

For the 2021 AGM, no major changes have been proposed to principles for remuneration and other terms of employment for senior executives. They will, however, be adapted to the new guidelines in accordance with the Swedish Companies Act.

### Incentive programs

The company has three incentive programs for key employees of the Group.

The first incentive program was set up in 2018. With full utilization of that incentive program, a total of 1,794,832 shares will be issued, which would have a maximum dilutive effect of approximately 3.7 percent.

The subscription price for shares that are subscribed to via the warrants is SEK 25.45 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 1.53. Subscription of shares may occur during the period 31 March 2021 through 30 June 2021. With full utilization of the warrants, the Company's share capital will increase by SEK 127,433.

The second incentive program was set up in 2019. With full utilization of the program, a total of 783,290 shares will be issued, which would have a maximum dilutive effect of approximately 1.7 percent. The subscription price for shares that are subscribed to via the warrants is SEK 37.94 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 5.19.

Subscription of shares may occur during the period 16 March 2022 through 7 June 2022. With full utilization of the warrants, the Company's share capital will increase by SEK 55,614.

The third incentive program was set up in 2020. With full utilization of the program, a total of 595,515 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 1.3 percent. The subscription price for shares that are subscribed to via the warrants is SEK

27.87 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 2.70. Subscription of shares may occur during the period 22 March 2023 through 16 June 2023. With full utilization of the warrants, the company's share capital will increase by SEK 42,282.

The rights issue carried out in 2020 affects the number of shares that each warrant entitles the holder to, along with the subscription price. After the rights issue, one warrant entitles the holder to 1.073 shares and the new subscription prices are SEK 25.45 (27.30), 37.94 (40.70) and 27.87 (29.90) for each of the three programs.

### Audit

The company is, in its capacity as a public company, required to have at least one auditor for auditing the company's and the Group's annual report and accounts, as well as the administration of the Board and the CEO. The scope of the audit shall be in accordance with what is customary for generally accepted auditing standards. The company's auditors are, in accordance with the Swedish Companies Act, elected at the AGM. An auditor in a Swedish limited liability company is thus appointed by, and reports to, the Annual General Meeting. The auditor may thus not allow his or her work to be governed by the Board or any of the senior executives. The auditor's reporting to the Annual General Meeting takes place at the Annual General Meeting via presentation of the audit report.

According to Green Landscaping Group AB's Articles of Association, the company must have at least one (1) and no more than two (2) auditors with a maximum of two (2) deputy auditors. The auditor and any deputy auditor must be an authorized public accountant or a registered accounting firm. The current auditor for the company is Ernst & Young. The auditor-in-charge is Charlotte Holmstrand, authorized public accountant and member of FAR (the institute for the accountancy profession in Sweden).

### The Board's report on internal control over financial reporting

The Board's responsibility for internal control is regulated in the Swedish Companies Act, the Annual Accounts Act and the Swedish Code of Corporate Governance. Among other things, the Board shall ensure that Green Landscaping Group AB has good internal control and formalized procedures that ensure that established principles for financial reporting and internal control are complied with, and that there are appropriate systems for monitoring and controlling the company's operations and the risks associated with the company and its operations.

The company has not established any special function for internal control. Instead, the Board of Directors as a whole performs that task. Internal control includes control of the company's organization, procedures and measures. The purpose is to ensure that reliable and accurate financial reporting takes place, that the company's and the Group's financial reporting is prepared in accordance with law and applicable accounting standards and that other requirements are complied with.

The internal control system also aims to monitor compliance with the company's policies, guidelines and principles.

In addition, the company's assets are monitored and the company's resources are used in a cost-effective and appropriate manner. Furthermore, internal control takes place through follow-up in IT and ERP systems and through continuous analysis of risks.

The control environment provides the basis for the internal control, which also includes risk assessment, control activities, information & communication and follow-up.

## Control environment

The Board of Directors has overall responsibility for internal control over the financial reporting. In order to create and maintain a functioning control environment, the Board has adopted a number of policies and governance documents that regulate the financial reporting. These mainly consist of the Board's rules of procedure, instructions for the CEO, instructions for committees established by the Board and instructions for financial reporting. The Board has also adopted a special authorization/approval hierarchy and a finance policy. Furthermore, the company has an accounting & finance handbook containing principles, guidelines and descriptions of the processes for accounting and financial reporting.

The Board has also set up an Audit Committee which has the main task of monitoring Green Landscaping Group AB's financial reporting, monitoring the effectiveness of the company's internal control, internal audit (to the extent such function is established) and risk management, as well as reviewing and monitoring the auditor's impartiality and independence.

The CEO is responsible for the day-to-day work of maintaining the control environment, and reports on an ongoing basis to the Board in accordance with established instructions.



Each local unit is organized as a subsidiary with its own board and CEO that has responsibility for managing the local operations according to guidelines and instructions from the Group level. The regional manager is the Chairman of the Board for companies in the region. There is also an owner representative from Green Landscaping Group at each subsidiary, along with one or more additional Directors, such as, for example one of the other regional managers, CEOs of other subsidiaries or other external parties. In addition to the internal follow-up and reporting, the company's external auditors report to the CEO and Board of Directors during the financial year.

The auditors' reporting provides the Board with a good understanding and a reliable basis for the financial reporting in the annual report.

The Board of Directors has considered setting up a special committee for internal audit, but has concluded that doing so is not necessary.

The entire Board of Directors serves as the control body for the company.

## Risk assessment and control activities

Risk assessment involves identifying and evaluating the risk of a material misstatement in the financial statements and reporting at the Group and subsidiary levels. Risk assessment is carried out on an ongoing basis and according to established guidelines with focus on individual projects. Within the Board, the Audit Committee is primarily responsible for continuously evaluating the company's risk situation, after which the Board carries out its own annual review of the same.

Control activities are aimed at identifying and limiting risks. The Board is responsible for internal control and follow-up of the company management. This is done through both internal and external control activities, as well as through review and follow-up of the company's policies and governance documents. The Group-wide guidelines for internal control are followed up during the year by all operating companies.

Uniform accounting and reporting instructions are applied by all units within the Group. The financial performance of the local units is continuously monitored through monthly reporting, which primarily focuses on sales, earnings trends and order backlog, but also includes legal and operational follow-up with a focus on the status of individual projects. All units prepare an internal control report on a quarterly basis. Other important components of the internal control are the annual business planning process and forecasting processes.

Forecasts are followed up in the Group's monthly reporting. Via ongoing Lean projects, a framework has been created for pursuing continual improvement at the Group, which consists of basic processes on internal control.

## Information and communication

The company has information and communication paths aimed at promoting correct financial reporting and enabling reporting and feedback from operations to the Board and management, for example by issuing governing documents in the form of internal policies, guidelines and instructions on financial reporting and which have been made available and understood by the employees concerned. Financial reporting takes place in a Group-wide system with predefined report templates.

As a listed company, Green Landscaping Group AB must comply with EU Regulation 596/2014 on Market Abuse (MAR). MAR dictates, for example, how inside information may be published, under which conditions the publication may be postponed, and how the company shall keep a register of persons who have access to inside information about the company. The company uses a digital tool for ensuring that its management of inside information meets the requirements stated in both MAR and its own policy on inside information. Only authorized individuals in the company have access to the tool.

The company's financial reporting complies with the laws and regulations that apply in Sweden. The company's information to the shareholders and other stakeholders is made available through the annual report and via interim reports and press releases.

## Follow-up

Compliance with, and effectiveness of, internal controls are monitored on an ongoing basis. The CEO ensures that the Board regularly receives reports on Green Landscaping Group AB's performance, which includes the company's earnings and position, along with information on important events, such as the progress of individual projects. The CEO also reports on these matters at each board meeting. The Board of Directors and Audit Committee review the annual report and quarterly reports and they also carry out financial evaluations in accordance with an established plan. The Audit Committee monitors the financial reporting and other related issues and regularly discusses these issues with the external auditors.

# Board of Directors



**Per Sjöstrand**

Chairman of the Board since 2012.

Born in 1958.

**Other ongoing assignments:**

CEO of Instalco AB (publ) and member of the Board of Directors for several subsidiaries belonging to the Instalco Group. Chairman of the Board for Fasadgruppen AB (publ) and Åhlin & Ekeröth AB.

**Experience:**

Many years of experience serving as the CEO for such companies as PEAB Nord AB, Midroc Electro Aktiebolag and NEA Gruppen AB. He is currently the CEO of Instalco AB, which is listed on Nasdaq Stockholm. Has also headed major projects run by the Swedish Transport Administration. M.Sc. in Engineering from Chalmers University of Technology, Gothenburg.

**Holdings in Green Landscaping Group AB:**

2,086,107 (via company).



**Johan Nordström**

CEO since 2015 and Board member since 2018.

Born in 1965.

**Other ongoing assignments:**

Board member for several of Green Landscaping Group's subsidiaries.

**Experience:**

More than 20 years of experience from leading positions at several companies with international operations. He has been the CEO of Green Landscaping Group since 2015 and prior to that, he was Chairman of the Board for Car-O-Liner Group AB. Studies in business administration and economics at Lund University and Gothenburg University and an MBA from Copenhagen Business School.

**Holdings in Green Landscaping Group AB:**

3,745,922 shares (via company).  
334,544 warrants 2018/21  
73,000 warrants 2019/22  
82,981 warrants 2020/23



**Tomas Bergström**

Board member since 2020.

Born in 1971.

**Other ongoing assignments:**

CEO of the investment company, Byggmästare A J Ahlström Holding AB (publ), Chairman of the Board for Fasticon AB, Ge-Te Media AB and the economic association, TalangAkademin. He is also a member of the Board of Directors at Infrea AB, Team Olivia AB and Safe Life AB.

**Experience:**

More than 20 years of experience in transactions, investments, strategic business development and other leading positions, such as Senior Vice President at OptiGroup and CEO at Textilia, partner at Erneholm Haskel and associate at Enskilda Securities. M.Sc. in Business and Economics from the Stockholm School of Economics.

**Holdings in Green Landscaping Group AB:**

--



**Åsa Källenius**

Board member since 2018

Born in 1967.

**Other ongoing assignments:**

CFO at Mekonomen AB (with Board assignments at subsidiaries), Board member at SinterCast AB, Deputy Board Member at Källenius Invest AB, KAAX Investment AB (and subsidiaries), Scylla och Charybdis AB, and ANNMAKA AB.

**Experience:**

Extensive experience in the position of CFO at several companies and in several industries and owner constellations. M.Sc. in Business and Economics from Stockholm University. She has also completed the Executive Management Program at the Stockholm School of Economics, Novare Management Program and Michael Berglund Board Value.

**Holdings in Green Landscaping Group AB:**

60,590 shares

**Staffan Salén**

Board member since 2018

Born in 1967.

**Other ongoing assignments:**

CEO at Salénia AB. Chairman of the Board at AB Sagax, eWork Scandinavia AB, Westindia AB (and assignments at subsidiaries), Coviz AB and Investment AB Jamaica along with CEO and Deputy Board Member of Sven Salén Aktiebolag (including subsidiaries). Member of the Board of Directors at Strand Kapitalförvaltning AB, Investment AB Antigua, Investment AB Pilhamn, Landauer Ltd and Merim AB also Deputy Board Member at Aktiebolaget Godolphin.

**Experience:**

Previously Deputy CEO and CIO at FöreningsSparbanken AB, Editorial Manager for Finanstidningen (newspaper) and financial analyst at Procter & Gamble. M.Sc. in Business and Economics from the Stockholm University.

**Holdings in Green Landscaping Group AB:**

8,432,298 shares (via company).

**Monica Trolle**

Board member since 2018

Born in 1965.

**Other ongoing assignments:**

Manager Facility & Real Estate at Tetra Pak North Europe.

**Experience:**

Many years of experience in facility management in a managerial position at companies such as WM-data Utilities AB/ CGI Sverige AB and AB Tetra Pak, as a consultant at Resources Global Professionals AB and Board assignments for IFMA Sverige. She has also served as CFO and Head of Administration at EF Educational Tours, Sydkraft AB and WM-data Utilities AB and as Regional Manager for Resources Global Professionals AB. She has completed the Executive Leadership Program at Stockholm School of Economics and has studied financial accounting at Lund University.

**Holding in Green Landscaping:**

35590

# Management



## Johan Nordström

---

CEO since 2015

For information, please see the section on Board of Directors.



## Carl-Fredrik Meijer

---

CFO since 2015 and Head of Investor Relations since 2018. Previously Head of M&A since 2013.

**Born:** 1980

### Other ongoing assignments:

Chairman of the Board and member of the Board of Directors at several of the Green Landscaping Group subsidiaries.

**Experience:** More than 15 years of experience from positions in accounting & finance, strategy and business development in both Sweden and other countries.

For example, he worked at PwC in London and Coor Service Management AB (publ). M.Sc. in Engineering and M.Sc. in Business and Economics from Lund University.

### Holdings in Green Landscaping Group AB:

215,346 shares  
145,814 warrants 2018/21  
28,416 warrants 2019/22  
40,000 warrants 2020/23





### Jakob Körner

Head of M&A since 2020.  
Employee of the company since 2012  
in various line and staff roles.

**Born:** 1976.

**Other ongoing assignments:**

Chairman of the Board and member  
of the Board of Directors at several  
of the Green Landscaping Group  
subsidiaries.

**Experience:** Previously worked at  
Svevia. M.Sc. in Engineering and  
M.Sc. in Business and Economics  
from Lund University.

**Holdings in Green Landscaping  
Group AB:**

173,768 shares  
51,949 warrants 2018/21  
60,891 warrants 2019/22  
30,000 warrants 2020/23



### Pierre Kubalski

Head of Lean & Business  
Development since 2015.

**Born:** 1971.

**Other ongoing assignments:**

Member of the Board of Directors  
at several of the Green Landscaping  
Group subsidiaries.

**Experience:** More than 20 years of  
experience in manufacturing industry  
as site manager or CEO. Has worked  
at both Danaher and Colfax.

**Holdings in Green Landscaping  
Group AB:**

188,213 shares  
64,936 warrants 2018/21  
18,000 warrants 2019/22  
20,000 warrants 2020/23



GREEN LANDSCAPING GROUP AB

---

# Financial statements





## Financial Statements

Directors' Report	66
Consolidated income statement	71
Consolidated balance sheet	72
Consolidated statement of changes in equity	74
Consolidated cash flow statement	75
Parent company's income statement	76
Parent company's balance sheet	77
Parent company's statement of changes in equity	79
Parent company's cash flow statement	80
Notes	81
Audit report	107
Key performance indicators	111
Definitions with explanations	113

# Directors' Report

The Board of Directors and CEO for Green Landscaping Group AB (publ), CIN: 556771-3465, hereby present the annual report and consolidated financial statements for 2020. The annual report has been prepared in SEK. Unless otherwise stated, all amounts are SEK million.

## Operations

Green Landscaping Group AB's business concept is to improve its customer's outdoor environment by offering services that focus on high customer value, long-term sustainability and quality.

Operations involves maintenance and planning of outdoor environments such as green areas, parks, courtyards, tree care and sports facilities. During winter, it also offers snow and ice removal. In Sweden, Green Landscaping Group AB is one of the leaders in its sector and its customers include public sector organizations, property companies, private enterprises, housing cooperatives and others who own land.

The Parent Company's operations are to, directly or indirectly, itself or via its subsidiaries, run land and property operations, maintenance and contracting activities, along with owning and immovable and movable property.

## Organization

As of 31 December 2020, the organization consisted of 27 operating subsidiaries and business units focused on creating and maintaining outdoor environments for property owners.

The Group is gathered under five geographic segments: Region South, Region West, Region East, Region Middle and Region North.

As of 2021, segmentation will be changed so that it better reflects how the Group is managed and monitored in the future. Region West will change its name to Region Middle. Region East will change its name to Region Stockholm. The prior Region Middle will become part of Region North and Norway will become a new region of its own. The new segments are: Norway, South, Middle, North and Stockholm.

## Holdings of own shares

A repurchase of own shares was carried out during the year for a total of SEK 1.0 million based on authorization granted by the AGM on 14 May 2020.

The repurchase of own shares was for the purpose of being able to use them as part of the consideration when making acquisitions. See Note M11 and pages 50-51 for more information on Green Landscaping Stock.

## Ownership structure

At year-end 2020, Green Landscaping Group AB had 1,839 known shareholders. The three largest owners are Byggmästare Anders J Ahlström Holding AB with 20.0 percent, Staffan Salén and family (via company) with 18.0 percent and Johan Nordström (via company) with 8.0 percent.

Together, the 10 largest owners hold 70.1 percent of the company's shares.

## Quality and environment

Green Landscaping continually strives to be a climate-neutral company. Environmental issues are an integral part of all activities, which includes project planning, purchasing, production and choice of vehicle. The Group's environmental commitment should serve as a reason for customers choosing Green Landscaping Group AB as a partner or contractor.

Green Landscaping Group AB's business activities contribute to a more beautiful cityscape, preservation of natural environments and biodiversity. The company helps offer nature experiences to city residents, lower the dangerous effect of pollution and create social venues. By planting vegetation, such as trees, bushes and sedum, the Group compensates for the emissions that occur. The long-term goal is to be a climate-neutral company, which is also a demand from its key customers.

One of the most important aspects of quality and environmental efforts is being certified. Green Landscaping AB, Svensk Markservice AB, Jacksons Trädvård AB, Green Landscaping Malmö AB, Green Landscaping Skåne AB och Green Landscaping Helsingborg AB are certified in accordance with ISO 9001 (quality) and ISO 14001 (environment) and ISO 45001 (work environment). GML Sport AB and Jordelit AB are certified in accordance with ISO 9001 (quality) and ISO 14001 (environment).



## Sustainability Report

In accordance with Chapter 6, Section 11 of the Annual Accounts Act, Green Landscaping has decided to prepare a statutory sustainability report as a separate report. The Sustainability Report is presented on pages 30-43 of this document.

## Work environment

At Green Landscaping's work sites, there should be a good work environment with good terms of employment and satisfied employees. Health and safety of employees falls within the scope of the company's social responsibility. The Group continually works with these issues and both Svensk Markservice AB and Jacksons Trädvård AB are also certified in accordance with ISO 18001 (work environment).

## Employees

The average number of employees for the period was 1,357, compared to 1,245 employees during the same period last year.

## Guidelines for remuneration to senior executives

At the 2020 AGM, the following guidelines for remuneration to senior executives were decided.

The basic principle is that remuneration and other terms of employment for senior executives must be market-based and competitive in order to ensure that the Group can attract and retain competent senior executives at a reasonable expense for the Company.

The total remuneration to senior executives shall consist of fixed remuneration, variable remuneration, pension and other benefits. To discourage senior executives from a temptation to take on unhealthy risk, there must be a fundamental balance between fixed and variable remuneration. Accordingly, an adequately large portion of the senior executive's total remuneration shall be fixed remuneration so that it is possible to set variable remuneration at SEK 0. Variable remuneration to a senior executive, or to an employee with a total remuneration level such that he or she can have a significant impact on the company's risk profile, may not exceed the amount of fixed remuneration.

Variable salary shall be paid in cash and based on the results in relation to performance targets within the individual area of responsibility (group or business area) and coincide with the shareholders' interests. Variable salary shall correspond to a maximum of 50 percent of the fixed annual salary for the CEO and a maximum of 35 percent of the fixed annual salary for members of the Group management team. Variable salary shall be pensionable unless otherwise agreed.

If variable remuneration is paid out based on information that, upon revision, is later determined to be incorrect, the company shall be entitled to demand repayment of the amount that has been incorrectly paid out.

Senior executives shall, unless otherwise specifically agreed, be offered pension terms in accordance with the ITP plan or have the corresponding defined-contribution pension terms at the going market rate in the country where the senior executive has his or her permanent residence.

Other benefits, such as company car, extra health insurance or occupational health services, shall be of limited value in relation to other remuneration and may be paid to the extent that this is judged to be at the going rate in the labor market for senior executives in corresponding positions.

In the event of termination by the company, the period of notice for all senior executives shall be a maximum of 12 months with the right to severance pay after the end of the notice period corresponding to a maximum of 100 percent of the fixed salary for a maximum of 12 months, i.e. fixed salary during the period of notice and severance pay for the senior executives shall not exceed 24 months of the fixed salary amount. As a general rule, any right to severance pay shall decrease in situations where remuneration during the current period is received from another employer.

In the event of termination by the executive, the period of notice shall normally be 6 months for the CEO and 3-6 months for other senior executives.

For the 2021 AGM, no major changes have been proposed to principles for remuneration and other terms of employment for senior executives. They will, however, be adapted to the new guidelines in accordance with the Swedish Companies Act.

For further information regarding remuneration to senior executives, see the corporate governance report, which can be found as a special report on pages 53-63.

## Significant events during the financial year

In line with the Group's strategy of consolidating the market for outdoor environments in the Nordic region, Green Landscaping Group AB took its first steps to establish the business in Norway during the year. In total, four company acquisitions were made along with one net asset acquisition in Norway. In Sweden, another three companies joined Green Landscaping Group AB during the year.

During the second quarter, a rights issue generated capital of SEK 148.6 million for the company, after transaction costs.

The capital injections provide Green Landscaping Group AB with the means of, at an even quicker rate, being able to realize the strategy.

The Covid-19 pandemic has had a slight negative impact on the business. There have, for example, been fewer meetings with customers and clients, resulting in fewer orders and delays in some of our projects. On the operational side, we have adapted to the situation in order to create a safer work environment and things are working smoothly.

#### MULTI-YEAR OVERVIEW (SEK million)

	2020	2019	2018	2017
Sales	2,134.7	1,992.6	1,180.1	799.3
EBITA	101.1	57.2	17.9	30.1
Equity	468.4	219.3	202.8	34.4
Balance sheet total	1,990.8	1,364.6	1,278.1	591.6
Average number of employees	1,357	1,245	598	589

#### Sales and earnings

Sales for the year amounted to SEK 2,134.7 (1,992.6) million, which is an increase of 7.1 percent. EBITA amounted to SEK 101.1 (57.2) million. There was an impact on earnings from non-recurring items of SEK 0 (32.9) million. Amortization of intangible assets was SEK 42.5 (28.6) million. Net financial items amounted to SEK -9.2 (-19.2) million. Profit for the year was SEK 37.5 (7.2) million.

#### Order backlog

At the end of the year, order backlog was SEK 4,434 (3,565) million. The volume of our order backlog has increased compared to last year, primarily due to the Group having grown by adding several new companies.

Over time, there is a correlation between the size of order backlog and sales. But this is not necessarily the case over the short term. The reason is that large, long-term contracts are procured with intervals of 5– 10 years. When large contracts are renewed within the Group, it has a significant impact on the order backlog.

#### Financial position and liquidity

Consolidated equity amounted to SEK 468.4 (219.3) million, which corresponds to an increase of SEK 249.1 million compared to 2019-12-31.

A repurchase of own shares was carried out during the year for a total of SEK 1.0 million based on authorization granted by the AGM on 14 May 2020.

Cash and cash equivalents amounted to SEK 95.4 (44.5) million.

#### Cash flow, investments and depreciation/amortization

Consolidated cash flow from operating activities was SEK 192.9 (98.3) million. The year's net investments were SEK -55.9 (-22.8) million, which consisted primarily of machinery, vehicles and tools used in operations. Depreciation of property, plant and equipment during the year was SEK -100.2 (-106.6) million. Amortization of intangible assets during the year was SEK -42.5 (-28.6) million.

#### Acquisitions and investments

Seven acquisitions were made in 2020 – GAST Entreprenør AS, P.A.R.K. i Syd AB, Hadeland Maskindrift AS, HMD Maskin AS, Oveland Utemiljø, Bengtssons Trädgårdsanläggningar AB and Thormans Entreprenør AS –along with a net asset acquisition by GAST Entreprenør AS of TH Anlegg AS. See Note 12 for more information on the acquisitions.

Green Landscaping Group AB continually invests in property plant and equipment in the form of machinery and vehicles. In addition, the Group has also made smaller investments in such things as IT development and digitization of processes.

#### Appropriation of earnings

The following retained earnings shall be appropriated by the AGM (SEK):

Share premium reserve	626,506,189
Retained earnings	-93,741,742
Profit (loss) for the year	-103,285
<b>Total</b>	<b>532,661,162</b>

The Board proposes that:

Carried forward	532,661,162
-----------------	-------------



## Risks and uncertainties

### Risks and uncertainties

#### Operational risks

Operating activities involve several risk factors that could impact the company's business and financial position. The risks are primarily associated with operating activities such as quality of supply, tendering, and delivery efficiency. Weather is another external risk that could impact earnings. To counter such risks, the company strives to have a mix of agreements with fixed and variable remuneration. It also strives to share the risks with customers and subcontractors.

#### Tendering

Green Landscaping participates in competitive bidding processes in the form of requests for tenders or equivalent tendering procedures for public procurement. Tender requests often consume both time and financial resources and there is always a risk that Green Landscaping Group AB will not be awarded the contract. Furthermore, contracts obtained after a public tendering process can be appealed or revoked due to actual or alleged procedural errors during the tendering process. An unsuccessful tendering process could have a significant negative impact on the Company's operations, financial position and earnings.

#### Growth and continued profitability

The company's future growth and profitability are dependent on a number of factors such as geographical expansion and continued demand for the company's services. Future demand for the company's services depends on level of ambition of customers regarding the quality of outdoor environments, along with the development of society, which leads to a demand for services in planning and constructing parks and outdoor environments.

Changed market conditions, negative macroeconomic developments and changing trends in, for example, the level of outsourcing of services in the public sector could lead to a lower demand for the company's services in the future.

#### Risks related to continued expansion through acquisitions

Green Landscaping Group AB pursues an active acquisition strategy and, going forward, a large part of Green Landscaping Group AB's growth is expected to consist of both strategic and opportunistic acquisitions, aimed at, for example, expanding the business and entering new markets.

There is a risk that the strategy will not lead to the desired outcome. Risks include difficulty in finding suitable acquisition candidates and, even if such are found, it not being possible to acquire the company on favorable terms, or on any terms at all. There could also be competitors with substantial financial resources that are interested in the same acquisition target and the risk of such competition could increase with higher market consolidation. Higher competition could also lead to higher costs compared to those of past acquisitions.

Future acquisitions of companies or operations could result in both business and company-specific risks such as miscalculations of such things as value and future prospects, along with unexpected costs resulting from unknown obligations.

Even risks that have been identified and considered prior to each acquisitions might be incorrectly assessed and have a negative impact on both value and future prospects, along with unexpected costs arising from such things miscalculations or failures in meeting claims on the seller's performance of contractual obligations. There is also the risk of a costly or unsuccessful integration process in conjunction with the acquisition. An unsuccessful integration in the form of, for example, quality problems in the acquired company could damage the reputation of the entire Group.

Large future acquisitions could also diminish Green Landscaping Group AB's liquidity and have a dilutive effect for the company's shareholders via issuance of shares or share-related instruments along with a need to acquire new loans.

If Green Landscaping Group AB is unable to control its growth in an effective manner, it could impact the company's competitiveness and have a negative effect on the company's operations, financial position and earnings.

#### Weather and seasonal variations

Operations are affected by seasonal variations. The service offering also varies with each season. During the summer, a full range of ground maintenance services is offered such as cleaning, lawn mowing, pruning, planting, harvesting and road maintenance. Also offered is a wide assortment of planning and construction services for creating outdoor environments. During winter, there is a high volume of snow and ice removal services. Project activities are also carried out during winter, weather permitting. Sales and earnings in any given quarter are affected by the season. For Green Landscaping Group AB'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.

**Financial risks**

Financial risks are associated with tied-up capital and capital requirements.

Risks in the Parent Company are essentially the same as what applies for the Group.

**Refinancing risk**

Refinancing risk is the risk that financing cannot be obtained or renewed upon maturity, or that it can only be obtained or renewed at a significantly higher cost. The company primarily finances its operations through equity, borrowings and the Group's own cash flows.

In the future, Green Landscaping Group AB (the Parent Company) could fail to meet the obligations in financial covenants and other obligations associated with credit and loan agreements due to the general economic climate or disturbances in the capital and/or credit markets. If the company fails to obtain the necessary financing in the future, or if financing can only be obtained on terms that are much more disadvantageous to the company, it could have a negative impact on the company's operations, financial position and earnings.

**Disputes and legal processes**

Green Landscaping Group AB operates in an industry where disputes with both clients and subcontractors arise.

Within the scope of its operating activities, the Group could thus become involved in disputes. Such disputes could, for example, lead to demands for payment and/or remediation of work and other such consequences to remedy errors in the delivery of services. Furthermore, the Group could be subject to outstanding claims and other situations that could force the Group to take legal action.

At the time when this report was published, the Group was not involved in any significant disputes.

**Insurance risks**

There is a risk that losses associated with damages could arise and that claims exceed what is covered by applicable insurance cover. And, even if such a claim is fully covered by the company's insurance, the premiums that the Group pays to the insurance agency could increase afterwards.



## Consolidated statement of comprehensive income

SEK m	Note	2020	2019
Net sales	4	2,112.9	1,973.1
Other operating income		21.8	19.5
<b>Total income</b>	5	<b>2,134.7</b>	<b>1,992.6</b>
<b>Operating costs</b>			
Cost of goods and services sold		-892.3	-850.5
Other external costs	7	-187.2	-175.9
Employee benefit expenses	6	-757.6	-714.2
Other operating expenses	32	-96.2	-88.1
Depreciation of PPE	15.17	-100.2	-106.6
Amortization of intangible assets	14	-42.5	-28.6
<b>Operating profit (loss)</b>		<b>58.6</b>	<b>28.6</b>
<b>Profit (loss) from financial items</b>			
Financial income	8	14.6	0.2
Financial expenses	8	-23.8	-19.4
<b>Total income from financial items</b>		<b>-9.2</b>	<b>-19.2</b>
<b>Profit (loss) after financial items</b>		<b>49.4</b>	<b>9.4</b>
<b>Tax</b>	9	<b>-11.9</b>	<b>-2.3</b>
<b>PROFIT (LOSS) FOR THE YEAR</b>		<b>37.5</b>	<b>7.2</b>
<b>Other comprehensive income</b>			
<b>Items that have been transferred or can be transferred to profit for the year</b>			
Translation gains or losses		-15.6	-
<b>TOTAL RESULT FOR THE YEAR</b>		<b>21.8</b>	<b>7.2</b>
<b>Earnings per share</b>			
<b>Basic earnings per share, SEK</b>	10	0.90	0.20
<b>Diluted earnings per share, SEK</b>	10	0.89	0.20

All net profit and comprehensive income for the period is attributable to the Parent Company's shareholders.

## Consolidated statement of financial position

SEK m	Note	2020-12-31	2019-12-31
<b>ASSETS</b>			
Non-current assets			
Intangible assets			
Goodwill	12, 14, 16	748.3	436.3
Customer relations	12.14	150.9	67.9
Brands	12.14	69.1	52.5
Other intangible assets	14	10.4	9.8
<b>Total intangible assets</b>		<b>978.7</b>	<b>566.5</b>
<b>Property, plant and equipment</b>			
Expenditure for improvement on unowned property	17	1.6	1.5
Plant and machinery	17	72.2	21.3
Equipment, tools, fixtures and fittings	17	105.9	32.9
Right-of-use assets	15	183.9	235.8
<b>Total property, plant and equipment</b>		<b>363.6</b>	<b>291.5</b>
Financial assets			
Other non-current receivables		1.3	0.3
<b>Total financial assets</b>		<b>1.3</b>	<b>0.3</b>
Deferred tax asset	9	19.1	17.8
<b>Total non-current assets</b>		<b>1,362.8</b>	<b>876.1</b>
Current assets			
Inventories, etc.			
Finished goods and goods for resale	19	27.7	26.4
<b>Total inventories, etc.</b>		<b>27.7</b>	<b>26.4</b>
Current receivables			
Accounts receivable	18, 20	389.3	294.7
Contractual asset	20	71.5	70.7
Current tax asset		0.0	18.0
Other receivables		15.9	7.0
Prepaid expenses and accrued income	21	28.3	27.2
<b>Total current receivables</b>		<b>504.9</b>	<b>417.6</b>
Cash and cash equivalents	18, 22	95.4	44.5
<b>Total current assets</b>		<b>628.0</b>	<b>488.5</b>
<b>TOTAL ASSETS</b>		<b>1,990.8</b>	<b>1,364.6</b>



## Consolidated statement of financial position, cont.

SEK m	Note	2020-12-31	2019-12-31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		3.4	2.6
Other contributed capital		623.4	397.1
Translation reserve		-15.6	–
Retained earnings including (profit/loss for the year)		-142.9	-180.3
<b>Total equity</b>	23	<b>468.4</b>	<b>219.3</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	18, 25	567.8	429.5
Lease liability	18, 28, 25	116.2	162.0
Warranty provision	24	1.2	1.5
Deferred tax liabilities	9	60.1	35.1
Other non-current liabilities	25	83.0	–
<b>Total non-current liabilities</b>		<b>828.3</b>	<b>628.1</b>
<b>Current liabilities</b>			
Accounts payable - trade	18, 31	172.9	161.2
Contract liabilities	26	28.9	22.1
Bank overdraft	18, 31	4.5	19.3
Liabilities to credit institutions	18	134.3	53.5
Lease liability	18, 28	69.2	70.5
Current tax liabilities		23.2	13.8
Other liabilities	34	118.6	40.2
Accrued expenses and deferred income	18, 27	142.5	136.6
<b>Total current liabilities</b>	13	<b>694.1</b>	<b>517.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,990.8</b>	<b>1,364.6</b>

## Consolidated statement of changes in equity

SEK m	Share capital	Other contributed capital	Translation reserve	Retained earnings including profit for the year	Total
<b>Opening balance 2019-01-01</b>	<b>2.5</b>	<b>391.3</b>	<b>–</b>	<b>-191.0</b>	<b>202.8</b>
Effect of changed accounting policy				3.5	3.5
Adjusted opening balance 2019-01-01	2.5	391.3	-	-187.6	206.2
Profit (loss) for the period				7.2	7.2
Other comprehensive income					
<b>Comprehensive income for the year</b>				<b>7.2</b>	<b>7.2</b>
Transactions with owners					
New share issue	0.1	5.6			5.7
Repurchase of own shares		-2.5			-2.5
Premiums for warrants		2.8			2.8
<b>Closing balance 2019-12-31</b>	<b>2.6</b>	<b>397.1</b>	<b>–</b>	<b>-180.3</b>	<b>219.3</b>
<b>Opening balance 2020-01-01</b>	<b>2.6</b>	<b>397.1</b>	<b>–</b>	<b>-180.3</b>	<b>219.3</b>
Profit (loss) for the period				37.5	37.5
Other comprehensive income			-15.6		-15.6
<b>Comprehensive income for the year</b>			<b>-15.6</b>	<b>37.5</b>	<b>21.8</b>
Transactions with owners					
New issues	0.8	226.4			227.2
Issue costs		-3.0			-3.0
Non-cash issue		2.3			2.3
Repurchase of own shares		-1.0			-1.0
Premiums for warrants		1.6			1.6
<b>Closing balance 2020-12-31</b>	<b>3.4</b>	<b>623.4</b>	<b>-15.6</b>	<b>-142.9</b>	<b>468.4</b>

All equity is attributable to the parent company's shareholders



## Consolidated cash flow statement

SEK m	Note	2020	2019
Operating profit (loss)		58.6	28.7
Adjustment for depreciation/amortization		142.7	136.3
Capital gain (loss)		-4.2	-5.0
Other non-cash items		-3.1	-
Interest received		0.1	0.2
Interest paid		-23.8	-19.4
Paid income tax		0.7	-11.2
<b>Cash flow from operating activities before changes in working capital</b>		<b>171.0</b>	<b>129.6</b>
Change in inventory		2.0	-2.6
Change in receivables		4.7	15.5
Change in current liabilities		15.2	-44.2
<b>Cash flow from operating activities</b>		<b>192.9</b>	<b>98.3</b>
Business combinations	12	-364.4	-15.2
Acquisition of PPE		-58.7	-24.6
Acquisition of intangible assets		-7.3	-6.8
Sale of non-current assets		10.1	8.6
<b>Cash flow from investing activities</b>		<b>-420.3</b>	<b>-38.0</b>
New share issue		148.6	-
Net change in bank overdraft		-14.7	1.7
New loans	35	367.6	27.8
Amortization of debt	35	-147.0	-55.0
Amortization of lease liability	28	-76.7	-87.0
Repurchase of own shares		-1.0	-2.5
Option premiums		1.6	2.9
<b>Cash flow from financing activities</b>		<b>278.4</b>	<b>-112.1</b>
<b>Cash flow for the year</b>		<b>51.0</b>	<b>-51.8</b>
Cash and cash equivalents at the beginning of the period		44.5	96.3
Translation difference in cash and cash equivalents		0.0	0.0
Cash and cash equivalents at the end of the period		95.6	44.5

## Parent company's income statement

SEK m	Note	2020	2019
Net sales	M1, M18	25.4	24.9
Operating costs			
Other external costs	M3, M18	-13.7	-23.4
Employee benefit expenses	M2	-11.1	-12.7
Depreciation of property, plant and equipment and amortization of intangible assets	M7	-0.0	-0.0
<b>Operating profit (loss)</b>		<b>0.6</b>	<b>-11.2</b>
Financial items			
Other interest income and similar profit or loss items	M4	3.8	15.3
Interest expenses and similar profit or loss items	M4	-16.2	-12.4
<b>Profit (loss) after financial items</b>		<b>-11.8</b>	<b>-8.3</b>
Group contribution received		12.0	33.6
<b>Earnings before tax</b>		<b>0.2</b>	<b>25.3</b>
Tax	M5	-0.3	-7.6
<b>Profit (loss) for the year</b>		<b>-0.1</b>	<b>17.7</b>

The parent company does not have any items reported as other comprehensive income. Accordingly, total comprehensive income is the same as profit or loss for the year.



## Parent company's balance sheet

SEK m	Note	2020-12-31	2019-12-31
<b>Assets</b>			
Intangible assets			
Software	M7	0.5	0.6
<b>Financial assets</b>			
Shares in Group companies	M6	1,198.9	656.2
Receivables from Group companies		119.3	146.5
Deferred tax asset	M5	4.2	4.2
<b>Total non-current assets</b>		<b>1,322.9</b>	<b>807.5</b>
<b>Current receivables</b>			
Receivables from Group companies		24.3	77.3
Prepaid expenses and accrued income	M9	2.0	2.9
<b>Total current receivables</b>		<b>26.3</b>	<b>80.3</b>
Cash and bank	M10	35.0	0.0
<b>Total current assets</b>	M8	<b>61.3</b>	<b>80.3</b>
<b>TOTAL ASSETS</b>		<b>1,384.2</b>	<b>887.8</b>

## Parent Company's balance sheet

SEK m	Note	2020-12-31	2019-12-31
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		3.4	2.6
<b>Total restricted equity</b>	<b>M11</b>	<b>3.4</b>	<b>2.6</b>
<b>Non-restricted equity</b>			
Share premium reserve		626.3	400.0
Retained earnings		-93.8	-111.5
Profit (loss) for the year		-0.1	17.7
<b>Total non-restricted equity</b>		<b>532.4</b>	<b>306.2</b>
<b>Total equity</b>	<b>M11</b>	<b>536.1</b>	<b>308.8</b>
<b>Non-current liabilities</b>			
Liabilities to Group companies	M12	0.0	1.0
Liabilities to credit institutions	M8, M12	577.0	420.0
Other liabilities	M12	91.2	2.3
<b>Total non-current liabilities</b>		<b>668.2</b>	<b>423.3</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	M8	81.3	50.0
Accounts payable - trade	M8, M15	3.3	2.8
Liabilities to Group companies		58.7	85.7
Current tax liabilities		3.4	2.9
Other liabilities	M20	31.1	0.5
Accrued expenses	M13	2.3	13.8
<b>Total current liabilities</b>		<b>179.9</b>	<b>155.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,384.2</b>	<b>887.8</b>



## Parent Company statement of changes in equity

SEK m	Restricted equity		Non-restricted equity		Total
	Share capital	Share premium reserve	Retained earnings	Profit (loss) for the year	
<b>Opening balance 2019-01-01</b>	<b>2.5</b>	<b>394.4</b>	<b>-103.0</b>	<b>-8.9</b>	<b>285.0</b>
Transfer of prior year's profit or loss			-8.9	8.9	<b>0.0</b>
Comprehensive income for the period				17.7	<b>17.7</b>
<b>Transactions with owners:</b>					
New share issue	0.1	5.6			<b>5.7</b>
Repurchase of own shares			-2.5		<b>-2.5</b>
Premiums for warrants			2.9		<b>2.9</b>
<b>Closing balance 2019-12-31</b>	<b>2.6</b>	<b>400.0</b>	<b>-111.5</b>	<b>17.7</b>	<b>308.8</b>
<b>Opening balance 2020-01-01</b>	<b>2.6</b>	<b>400.0</b>	<b>-111.5</b>	<b>17.7</b>	<b>308.8</b>
Transfer of prior year's profit or loss			17.7	-17.7	<b>0.0</b>
Comprehensive income for the period				-0.1	<b>-0.1</b>
<b>Transactions with owners:</b>					
New issues	0.8	226.4			<b>227.3</b>
Issue costs		-3.0			<b>-3.0</b>
Non-cash issue		2.3			<b>2.3</b>
Repurchase of own shares		-1.0			<b>-1.0</b>
Premiums for warrants		1.6			<b>1.6</b>
<b>Closing balance 2020-12-31</b>	<b>3.4</b>	<b>626.3</b>	<b>-93.8</b>	<b>-0.1</b>	<b>536.1</b>

## Parent Company cash flow statement

SEK m	Note	2020	2019
Operating profit (loss)		0.6	-11.3
Adjustment for depreciation/amortization		0.0	0.0
Interest received		3.8	3.4
Interest paid		-16.1	-12.4
Paid income tax		0.2	-0.2
<b>Cash flow from operating activities before changes in working capital</b>		<b>-11.5</b>	<b>-20.5</b>
Change in working capital			
Change in operating receivables		55.4	15.5
Change in operating liabilities		-13.0	39.2
<b>Cash flow from operating activities</b>		<b>30.9</b>	<b>34.2</b>
Investing activities			
Acquisition of participations in subsidiaries	12	-361.2	-31.6
Acquisition of intangible assets		0.0	-0.2
Change in non-current receivables, Group		27.3	9.1
<b>Cash flow from investing activities</b>		<b>-333.9</b>	<b>-22.7</b>
Financing activities			
New share issue		148.6	–
Net change in bank overdraft		0.0	13.1
New loans	M16	334.7	25.0
Amortization of debt	M16	-145.9	-50.0
Repurchase of own shares		-1.0	-2.5
Option premiums		1.6	2.9
<b>Cash flow from financing activities</b>		<b>338.0</b>	<b>-11.5</b>
<b>Cash flow for the period</b>		<b>35.0</b>	<b>0.0</b>
Cash and cash equivalents at the beginning of the period		0.0	0.0
Cash and cash equivalents at the end of the period		35.0	0.0

# Notes

## NOTE 1 General information

The main area of operations for Green Landscaping Group AB (publ) and its subsidiaries (together forming the Group) is maintenance and planning of outdoor environments such as green areas, parks, court-yards, tree care and sports facilities. During winter, it also offers snow and ice removal. In Sweden, Green Landscaping is one of the leaders in its sector and its customers include public sector organizations, property companies, private enterprises and housing cooperatives.

Green Landscaping Group AB (publ) CIN 556771-3465 is domiciled in Stockholm.

The consolidated financial statements for the reporting period that ended on 31 December 2020 (including comparison figures) was approved by the Board on 14 April 2021. The consolidated statement of comprehensive income, other comprehensive income and statement of financial position, along with the Parent Company's income statement and balance sheet, will be brought forth for adoption at the AGM on 19 May 2021.

## NOTE 2 Applied accounting policies

### 2.1 Basis for preparation of financial statements

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Financial Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups.

The Parent Company's financial statements have been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. The application of RFR 2 means that in the interim report the legal entity, the Parent Company applies all of the IFRS adopted by the EU and the interpretations, to the extent possible without deviating from what is stipulated in the Annual Accounts Act and with consideration given to the relationship between accounting and taxation.

The consolidated financial statements incorporate the results of the Parent Company and all subsidiaries. The Parent Company's functional currency is SEK, which is also the reporting currency for the Parent and the Group.

The consolidated financial statements have been prepared under the going concern assumption. Assets and liabilities have been measured at historic cost. Some financial instruments have been measured at fair value. The consolidated financial statements have been prepared in accordance with the acquisition method and all subsidiaries where there is a controlling interest, have been consolidated as of the date when the controlling interest was obtained.

In order to prepare reports in accordance with IFRS, management must make a number of estimates for accounting purposes. The areas where many assessments are required, which are complex, or areas where assumptions and estimates are significant to the consolidated financial statements, are described in Note 3. These assessments and assumptions are based on past experience and other factors deemed reasonable under the prevailing circumstances. Actual results may differ from the assessments that were made, if assessments change, or if other conditions arise.

Gross amounts are reported for all assets and liabilities. However, offsetting is used when there is a receivable and a payable on the same counterparty and when there is both legal basis and intent to settle on a net basis. Gross reporting is used for revenue and expenses, unless otherwise stated.

Fixed assets, non-current liabilities and provisions are expected to be reclaimed or settled more than twelve months from the closing date. Current assets and current liabilities are expected to be reclaimed or settled less than twelve months from the closing date.

The applied accounting policies include new and revised standards issued by IASB and adopted by the EU that are in effect as of the reporting date. New standards will be used as soon as they enter into force and an evaluation of the anticipated effects on the financial statements will be made as soon as a change is known.

### 2.3 Changes in accounting policies and disclosures

#### New standards and interpretations applied as of 1 January 2020

During the financial the amendments to IFRS 3 Business Combinations entered into force. The amendments clarify the definition of a business, with the aim of helping entities to determine whether a transaction should be accounted for as an asset acquisition or a business combination. The amended IFRS 3 shall be applied to acquisitions for accounting periods starting on 1 January 2020.

There have also been amendments to IAS 1 and IAS 8 regarding the definition of materiality. The aim of the amendments is to clarify the concept of materiality. The amendments shall be applied as of 1 January 2020.

The amendments to IFRS 3, IAS 1 and IAS 8 are not expected to have a significant impact on the consolidated financial statements.

#### New standards and interpretations that have not yet entered into force.

There are no new IFRS standards or IFRIC interpretations that will have a significant impact on the Group's earnings or position during the 2021 financial year.

None of the new IFRS standards or interpretations have been early adopted.

### 2.4 Significant accounting policies

#### Consolidated financial statements

Subsidiaries are those companies in which the Parent Company, directly or indirectly, has a controlling influence based on ownership of more than 50 percent of the voting rights of the shares or otherwise has the right to design financial and operational strategies in the company. All subsidiaries are consolidated using the acquisition method. The cost amount of an acquisition is calculated as the fair value of assets that have been provided as payment along with any liabilities taken over or which have arisen at the acquisition date. With the acquisition method, the fair value of acquired, identifiable assets, assumed liabilities and contingent liabilities in a business combination, regardless of the scope of any minority interest, are measured at fair value as of the acquisition date. Any surplus arising from the difference between cost and fair value on the Group's share of identifiable acquired assets, liabilities and contingent liabilities is reported as goodwill. If the cost amount is less than the fair value of the acquired net assets, it is reported as a negative difference in profit or loss.

Subsidiaries that were acquired during the financial year are included in the consolidated financial statements as soon as the controlling interest has been transferred to the Group. Subsidiaries that were divested during the financial year are included in the consolidated financial statements up until the date when the controlling interest no longer exists.

All intra-Group transactions, balance sheet items, unrealized gains and Group contributions have been eliminated. Unrealized losses are also eliminated unless the transaction is evidence that a write-down requirement exists for the transferred asset.



### Segment reporting

Segment reporting is based on the segments used for internal management reporting to the chief operating decision maker.

### Cash flow statements

Cash flow statements have been prepared using the indirect method.

### Currency effects

#### Translation of foreign subsidiaries' financial statements

The assets and liabilities of foreign operations, including goodwill and other Group surpluses/deficits are translated to SEK using the rate prevailing on the closing date. The income and expenses of foreign operations are translated to SEK using an average rate, which is an approximation of the average exchange rate applicable on each transaction date. Any translation gains or losses arising from the currency translation of foreign operations is via other comprehensive income in the translation reserve, which is a component of equity.

#### Transactions in foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities denominated in foreign currency are converted to the functional currency at the exchange rate prevailing on the closing date. Non-monetary assets and liabilities reported at historical cost are translated at the rate prevailing on the transaction date. Any exchange differences arising from translation of foreign currencies are recognized in the income statement. Any exchange differences on operating receivables and operating liabilities is included in operating profit or loss. However, exchange differences on financial receivables and liabilities are recognized in financial items.

### Revenue recognition

A five-step model is used for recognizing revenue from contracts with customers. Revenue is recognized when control of the goods and services is transferred to the customer.

The transaction price is allocated to each performance obligation in the contract based on a standalone selling price. It means that each performance obligation must allocate its share of the revenue based on its standalone selling price in relation to the sum of all the standalone selling prices on all performance obligations. Variable remuneration is typically allocated proportionally to the identified performance obligations, unless there are clear indications that the variable remuneration does not pertain to the identified obligations in the contract.

Revenue is recognized over time when any of the three indicators of control have been satisfied. This occurs when the customer obtains and consumes benefits at the rate that the company perform, the company's performance creates or improves an asset that the customer controls, or the company's performance does not create an asset that has an alternative use for the company and the company has a current right to payment for its performance thus far. Both input methods and output methods are applied to measure progress towards complete satisfaction of the Group's performance obligations and how revenue is recognized.

Revenue is recognized at a specific point in time, when control has been transferred to the customer. Transfer of control is assessed as having been transferred when any of the five indicators have been fulfilled, when there is an unconditional obligation to pay, a legal ownership right, physical possession, transfer of significant risks and benefits, or when the good has been accepted. A repayment liability for expected returns is recognized as an adjustment to revenue. Furthermore when a customer utilizes its right of return, the returned item is reported as an asset with a corresponding adjustment made to cost of goods sold.

Operations are primarily service assignments and sale of goods. The Group's revenue is allocated across five segments, where revenue is recognized as follows:

- Segments Region South, North, Middle and East - revenue in this segment is primarily recognized over time as services, based on the percentage of completion. Maintenance contracts typically stretch over 3-4 years, with the option to extend. The services rendered are ground

maintenance in accordance with agreed principles (frequency/function-based) and periodicity. Facility contracts typically have a shorter duration, up to 2 years, and they are for more specific assignments, such as building playgrounds, courtyards, etc.

- Segment Region West - revenue in this segment is recognized at a specific point in time, or gradually over time. The method applied depends on the business event which has occurred. There are two types of service assignments: maintenance over a longer period of time and with a fixed invoicing plan; and shorter service assignments that are on a running basis. The sale of goods pertains to machinery, materials and spare parts. The sales price is taken from a fixed price list.

### Tax

Tax reported in profit or loss includes both current tax and deferred tax.

Current tax is tax that is paid or refunded for the current year. It also includes adjustments to current tax that are attributable to prior periods.

Deferred tax is recognized on the closing date in accordance with the balance sheet method for temporary differences between assets' and liabilities' tax and accounting values. Deferred tax is measured at the nominal amount and it is calculated using the tax rates and legislation in effect or decided as of the closing date. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available. Deferred tax assets and deferred tax liabilities are offset when there is a legal right to settle the current tax assets and tax liabilities on a net basis and the tax liabilities relate the same unit in the Group and to taxes levied by the same taxation authority.

### Financial instrument – general

Financial assets and liabilities are reported in the statement of financial position when the company becomes party to the instrument's contractual terms. A financial asset is removed from the statement of financial position when the rights in the contract are realized, mature, or when the company loses control over them. A financial liability is removed from the statement of financial position when the stated obligations in the contract have been fulfilled. Subsequent measurement of financial assets and liabilities is described below.

#### Classification and valuation

All financial instruments reported in the balance sheet must be classified in different measurement categories. Measurement of financial instruments is based on this classification. Classification of a financial instrument is based on the Group's business model (the objective for holding the financial asset) along with the financial asset's contractual cash flows. The categories of financial assets are as follows:

- Financial assets measured at amortized cost
- Financial assets measured at fair value via other comprehensive income
- Financial assets measured at fair value via profit or loss

Financial liabilities are measured at amortized cost or fair value via profit or loss.

### Receivables

Receivables, including accounts receivable, are measured at amortized cost. It requires that a loss allowance is set up for expected credit losses.

The Group applies the simplified approach regarding accounts receivable and contract assets when calculating the reserve for expected credit losses. This approach requires recognition of a reserve for expected credit losses on accounts receivable and contract assets over the entire remaining life of the asset. Allowance for credit losses is based on historical data and ratings. Any impairment of receivables is recognized in operating costs.

Because the expected maturity for accounts receivables is short, they are typically reported at the nominal amount, without any discounting.

### Liabilities

Liabilities to credit institutions (non-current and current), lease liability, bank overdraft and accounts payable are classified as liabilities measured at amortized cost. At acquisition, other financial liabilities are

measured at fair value plus transaction costs. Afterwards, other financial liabilities are measured at amortized cost using the effective interest method.

The Group's liabilities that are measured at fair value via profit or loss consist of additional consideration associated with the acquisition of subsidiaries.

Amortized cost is the amount at which the asset or liability was originally recognized less amortization and any impairment losses, plus accruals for the initial difference between the cost of acquisition and the amount expected to be received on the maturity date.

Fair value is the price which, as of the valuation date, would have been received from sale of an asset or paid with transfer of a liability in an orderly transaction between market participants. If market prices are not available, the fair value for an individual instrument is established using various measurement techniques.

### Cash and cash equivalents

Cash and cash equivalents consist of cash-on-hand and deposits with banks and similar institutions that mature within three months of the date of acquisition.

### Cash pool

Green Landscaping Group AB (publ) is the holder of the Group account. The total amount in the Group account is reported as cash and cash equivalents in the Parent Company. Subsidiaries' share of the Group account is reported as a receivable/payable to Group companies. The Group has an overdraft facility of SEK 50 (50) million and as of 31 December 2020, the unutilized amount was SEK 50 (50) million.

### Liabilities to credit institutions

Liabilities to credit institutions are initially recognized at fair value, less transaction costs. Afterwards, they are recognized at cost. Liabilities to credit institutions are classified as current or non-current interest-bearing liabilities in the balance sheet.

### Accounts payable - trade

Accounts payable are recognized at amortized cost when the invoice has been received.

### Impairment of financial assets

An impairment loss is recognized for the amount that the asset's carrying amount exceeds its recoverable amount, which is fair value less selling expenses or value-in-use, whichever is higher. Value-in-use is the present value of estimated future cash flows plus the estimated residual value at the end of the useful life. When calculating value-in-use, future cash flows are discounted using a rate that considers the market's assessment of risk-free interest along with the risk associated with the specific asset. Whenever possible, assessment of impairment is made for individual assets or cash-generating units. The Group bases its calculation on achieved results, forecasts, business plans, economic forecasts and market data.

Reversal of a prior impairment loss occurs when the objective criteria from a future event indicate that a write-down requirement no longer exists.

### Intangible assets

#### Goodwill

Goodwill is made up of the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. There is no amortization of goodwill. Goodwill is allocated to segments when assessing any impairment need. Allocation is to the cash-generating units that are expected to benefit from the business combination that gave rise to the goodwill.

#### Brands

Values identified in acquisition analyses that are associated with brands are assessed as having an indefinite useful life. Brands with an indefinite useful life are not amortized. They are, however, tested for impairment at least once per year or whenever there is an indication of impairment.

### Customer relations and contracts with customers

Values identified in acquisition analyses that are associated with customer relations are amortized over the useful life which is 3 years for public sector contracts with customers and 5 years for private sector contracts with customers.

### Other intangible assets

Other intangible assets are externally acquired assets like capitalized expenditure for software, patents, trademarks and licenses. The assets that have a finite useful life are recognized at cost less accumulated amortization and any impairment losses. Other intangible assets are amortized on a straight-line basis over the estimated useful life, which is typically five years. Amortization of intangible assets with a finite useful life starts on the date when they are available for use.

### Impairment of non-financial assets

Impairment assessment for intangible assets occurs whenever there is an indication that an asset has declined in value.

Impairment is recognized if the carrying amount for an asset or its cash-generating unit exceeds the recoverable amount. The recoverable amount is the value-in-use or fair value less selling expenses, whichever is higher. Value-in-use is calculated as the present value of the estimated future cash flows, after tax. At each closing date, an assessment is made of impairment losses recognized in prior periods to see if there are indications that the write-down requirement has declined or if it no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount after reversal does not exceed the carrying amount that the asset would have had if impairment losses hadn't been recognized, along with the amortization that would have occurred.

An impairment assessment is made each year of the cash-generating units to which goodwill has been allocated and whenever there are indications of a write-down requirement. Impairment assessment and recognition of impairment losses on goodwill occurs in the same way as with intangible assets. However, impairment losses on goodwill are not reversed.

### Property, plant and equipment

Property, plant and equipment primarily consists of machinery and vehicles. Property, plant and equipment are reported at cost less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Depreciation is based on the cost of acquisition for the asset and it is on a straight-line basis over the estimated useful life.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and they are reported under 'other operating income' or 'other operating expenses'.

Property, plant and equipment with a value that is less than half the price base amount is not capitalized based on the concept of materiality.

The residual value of an asset, its useful life and the depreciation method are reviewed at the end of each financial year and an adjustment is made prospectively, when needed, at the end of each reporting period. Ordinary expenditure for maintenance and repairs is expensed as incurred, but expenditure for significant renewals and improvements is capitalized and reported in the balance sheet. It is then depreciated over the remaining useful life of the underlying asset.

The following depreciation periods are used:

Property, plant and equipment	
Expenditure for improvement on unowned property	5 years
Plant and machinery	
- Landscaping machinery	5 years
- Vehicles	5 years
Equipment, tools, fixtures and fittings	5 years

### Leasing

The Group reports a right-of-use asset and the corresponding lease liability at the inception of the lease.

Right-of-use assets are initially measured at costs, which consists of

an initial valuation of the lease liabilities and any lease payments made prior to the inception of the lease less any discounts, initial direct costs and any restoration costs. Afterwards, they are measured at cost less any accumulated depreciation and impairment, adjusted for any revaluations of the lease liability. It means that the lease assets are measured at the present value of future lease payments. The lease payments are allocated between depreciation and interest on the lease liability. The right-of-use assets are depreciated on a straight line basis over the lease period.

Leases where the underlying asset is of low value or which terminate within 12 months from the date of acquisition are classified as short-term contracts and are therefore not included in the reported liabilities or among right-of-use assets.

Lease liabilities are initially measured at the present value of future unpaid leasing fees from the contract start date. The discount rate used to determine present value should be the rate of interest implicit in the lease. If that cannot be established, the Group's marginal lending rate is used. In most cases, the Group uses its marginal lending rate as the discount rate. The Group establishes its marginal lending rate using a build-up method that is based on the risk-free interest rate, adjusted for the Group's credit spread corresponding to the marginal interest rate that the Group received from the bank, and an adjustment for assets with strong collateral. The lease liability increases thereafter from interest expense on the lease liability and it decreases when lease payments are made.

The lease liability is revalued if there is a change in the future lease payments resulting from a change in an index or similar, such as changes in the estimated future payments during the guaranteed remaining lease period, or, in certain cases, changes in the assessment of whether asset purchase and either an extension or cancellation of the lease is likely to occur.

### Inventories

Inventories are measured at the lower of cost and net realizable value on the closing date. Net realizable value is the estimated sales price of the goods less selling expenses. Cost is calculated using the FIFO method. Initial recognition of raw materials and finished products is at the cost of acquisition. The cost amount of inventories may need to be adjusted if it exceeds the net realizable value. This method of valuation means that any obsolescence in inventories has been considered.

Impairment, provisions and reversals associated with obsolescence are recognized in the income statement under cost of goods sold.

### Provisions, contingent liabilities and contingent assets

Provisions are reported when the Group has a legal or informal obligation resulting from past events, it is probable that payments will be required to settle the obligation and when a reliable estimate of the amount can be made. Provisions are reported in two categories: non-current liabilities and current liabilities.

A contingent liability/asset is a possible liability/asset resulting from past events and which only can be ascertained when one or more uncertain future events occur that are not within the company's control. No liability/asset is reported if the likelihood is very low that an outflow of resources will result from existing obligations.

### Employee benefits

#### Pension plans

The company only has defined contribution plans. Expenditure for defined contribution plans is expensed in the period when the employee performs the services underlying the obligation.

#### Termination benefits

A provision is made in conjunction with terminating employment only if the company is obliged to terminate an employment before the normal date or when compensation is given as an offer to encourage voluntary resignation. In cases where the company issues notice of termination, the provision is calculated after a detailed plan has been drawn up, specifying the workplace, positions and approximate number of employ-

ees affected along with the remuneration for each employment category or position and the time frame for implementing the plan.

### Short-term employee benefits

Salary and remuneration, along with the associated social security contributions are expensed at the rate earned by the employee.

### Variable salary

Accruals are made on an ongoing basis for variable salary in accordance with the economic substance of the agreement.

### Government assistance

The COVID-19 pandemic has made it necessary to start reporting government assistance, which the Group has received for measures implemented to cope with the situation. Support has been received in the form of lower employer's contribution, sick pay subsidies and redundancy support. In accordance with IAS 20, government grants are recognized in the income statement and balance sheet when there is reasonable assurance that the company will comply with any conditions attached to the grant and the grant will be received. Government grants have been reported as other operating income.

### Parent company accounting policies

The Parent Company's financial statements have been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. The Parent Company applies different accounting policies than the Group in the following instances:

- When allowed, Group contributions are made between Swedish companies belonging to the Group to minimize the Group's tax expense..
- Any additional consideration and transaction costs are reported against shares in the subsidiary.
- All costs associated with leases are expensed on a straight-line basis over the lease period.
- Participations in subsidiaries are measured before any write-down to cost.
- Financial assets and liabilities are measured at cost.

## NOTE 3 Significant assumptions, estimates and assessments

Senior executives and the Board of Directors make assessments and assumptions about the future. These assessments and assumptions impact the amounts reported for assets, liabilities, revenue and expenses, along with other information that is disclosed, such as contingent liabilities. These assessments are based on past experience and assumptions deemed reasonable under the prevailing circumstances. Conclusions made from this are used as the basis for deciding the amounts reported for assets and liabilities when the amounts cannot be derived from other information. Actual outcome may deviate from these assessments if other assumptions are made or if other conditions arise. Areas that require assessments and assumptions of that kind and which could have a significant impact on the Group's earnings and financial position include:

- Other PPE and intangible assets reported at cost less accumulated depreciation/amortization and any impairment losses. Depreciation/amortization is over the estimated useful life down to the estimated residual value. The carrying amounts of the Group's fixed assets are tested for impairment whenever circumstances change such that there is a write-down requirement. For impairment testing of goodwill, it is necessary to make a number of significant assumptions and assessments in order to calculate the cash-generating unit's value-in-use. These assumptions and assessments are of the expected future discounted cash flows. Forecasts for future cash flows are based on the best possible assessments of future revenue and operating expenses, based on historical trends, general market conditions, developments in, and prognoses for, the sector and other available information.



Senior executives compile their assumptions, which are then reviewed by the Board of Directors.

- Calculation of deferred tax asset and deferred tax liability: Assessments are made to determine both current and deferred tax assets and liabilities. This applies in particular to deferred tax assets. For the latter, an assessment is made of the likelihood that the deferred tax assets will be available to be used against future taxable profits. The fair value of these future taxable profits may deviate based on the future business climate, earnings capacity or revised tax rules.
- Calculations pertaining to legal disputes and contingent liabilities: The Group is a party to a number of minor disputes and legal proceedings within the scope of its operating activities. Management engages legal expertise for these issues. When the financial outcome of legal disputes has been assessed as significant, it is reported separately.
- Calculation of provisions and accrued income.
- The COVID-19 pandemic has had a widespread impact on all parts of our society. The Group has received government assistance of insignificant amounts. There has been a slight negative impact on sales and earnings from COVID-19. Customers are more hesitant and working from home, which has delayed project orders. Our capacity and efficiency is negatively impacted when the number of employees on sick leave rises, along with not being able to meet in person, as we would like. It is difficult to predict the future outlook and we are maintaining a high level of preparedness.

We have not identified any need to record impairment losses on goodwill that has been recognized for the Group based on COVID-19. As of 31 December 2020, the impact of the COVID-19 pandemic has not had any significant impact on the valuation of inventories. As of 31 December 2020, there were no indications of a significant impact on the provision for credit losses due to COVID-19.

## NOTE 4 Revenue from contracts with customers

### CATEGORIZATION OF CONTRACTS WITH CUSTOMERS

The amounts reported below include Intra-Group sales.

SEK m	2020	2019
<b>Services transferred over time</b>		
Region South	491.8	371.1
Region West	841.0	646.2
Region East	514.9	593.9
Region Middle	176.8	189.4
Region North	112.9	134.8
<b>Total</b>	<b>2,137.4</b>	<b>1,935.4</b>
<b>Goods transferred at a specific point in time</b>		
Region West	102.0	106.7
<b>Total</b>	<b>102.0</b>	<b>106.7</b>
<b>Total revenue from contracts with customers</b>	<b>2,239.4</b>	<b>2,042.1</b>
<b>Allocation of revenue by country</b>		
Sweden	2,011.2	2,042.1
Norway	228.2	0.0
<b>TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS</b>	<b>2,239.4</b>	<b>2,042.1</b>

### Summary of contract balances

#### CONTRACT BALANCES

SEK m	2020-12-31	2019-12-31
Accounts receivable (Note 20)	389.3	294.7
Contract assets (Note 20)	71.5	70.7
Contract liabilities (Note 27)	-28.9	-22.1

Accounts receivable are non-interest-bearing and the typically fall due for payment 30 days after the performance obligation has been fulfilled.

Contract assets are recognized in the statement of financial position when the customer is considered to have benefited from the delivered goods or services and it is often attributable to ongoing maintenance tasks. When the customer has been invoiced for the delivered services, the amount is reclassified to accounts receivable. For information on the year's change in the provision for doubtful debts, please see Note 20.

Contract liabilities are often attributable to advance payments from customers on services that have not yet been rendered.

The table below shows revenue during the year that is attributable to contract assets and contract liabilities:

	2020	2019
Opening balance, contract assets	70.7	41.6
Performance obligations performed in prior years (contract assets)	-70.7	-41.6
Additional capitalization	71.5	70.7
<b>Closing balance, contract assets</b>	<b>71.5</b>	<b>70.7</b>
Opening balance, contract liabilities	-22.1	-15.3
Amount recognized as revenue during the period and which was included in the balance for contract liabilities at the beginning of the year	22.1	15.3
Additional advances	-28.9	-22.1
<b>Closing balance, contract liabilities</b>	<b>-28.9</b>	<b>-22.1</b>
<b>Contract liabilities</b>	<b>2020</b>	<b>2019</b>
Within one year	28.9	22.1
More than one year	0.0	0.0

### Performance obligations

Below is a summary of the Group's performance obligations. There are no significant financing components in customer contracts. For this reason, the Group does not adjust the transaction price for the effect of any significant financing components. The Group does not have any performance obligations that are will not be invoiced within one year.

### Regions South, Middle, North and East

Revenue in this segment is primarily recognized over time as services, based on the percentage of completion. Maintenance contracts typically stretch over 3-4 years, with the option to extend. The services rendered are ground maintenance in accordance with agreed principles (frequency/function-based) and periodicity. Facility contracts typically have a shorter duration, up to 2 years, and they are for more specific assignments, such as building playgrounds, courtyards, etc. Invoices are sent out regularly and payment terms are typically 30 days.

### Region West

Revenue in this segment is recognized at a specific point in time, or gradually over time. The method applied depends on the business event which has occurred. There are two types of service assignments: maintenance over a longer period of time and with a fixed invoicing plan; and shorter service assignments that are on a running basis. The sale of goods pertains to machinery, materials and spare parts. Historical data is used to assess the level of returns/refunds and the method for expected value has been applied. Historical data shows that returns/refunds are insignificant. Accordingly, it is very unlikely that a significant reduction to revenue will need to be made. The sales price is taken from a fixed price list. Invoices are issued upon delivery of the goods. For services, invoices are issued regularly and with payment terms of 30 days. For machinery, warranties are issues that correspond to what the Group has received from its suppliers.

**NOTE 5 Segment information**

Green Landscaping Group's business is divided into five segments, which are referred to as regions. These are the reportable segments for the Group.

- Regions South, Middle and North offer ground maintenance services and landscaping at, for example, daycare centers and outdoor areas at housing cooperatives.
- Region West offers ground maintenance services and landscaping. It also sells products and offers maintenance services and landscaping at, for example, golf courses and football fields.
- Region East offers ground maintenance services and landscaping at, for example, daycare centers and outdoor areas at housing co-operatives. It also offers tree care at parks and other green areas.

The earnings of each segment are monitored by the highest decision-making authority, which is the Group CEO. The highest decision-making authority evaluates the results from the various business areas separately for the purpose of management control and making decisions on resource allocation. The segments are evaluated based on EBITA. The Group's financing is managed at the Group level and is not allocated to operating segments.

Internal pricing between operating segments is on market terms similar to third-party transactions in accordance with the principle of an arm's length transaction.

The Group does not have any single major customer where revenue is 10% or more of the Group's total revenue.

	Region South	Region West	Region East	Region Middle	Region North	Unallocated amounts and eliminations	Total
2020							
Revenue from contracts with customers	491.8	943.0	514.9	176.8	112.9	-104.7	2,134.7
Operating expenses	-463.9	-866.5	-528.0	-168.6	-101.5	95.0	-2,033.5
<b>EBITA</b>	28.0	76.4	-13.1	8.2	11.4	-9.7	101.2
Amortization of intangible assets							-42.5
<b>Operating profit (loss)</b>							<b>58.6</b>
Financial items							-9.2
<b>Profit (loss) after financial items</b>							<b>49.4</b>
Tax							-12.0
<b>PROFIT (LOSS) FOR THE PERIOD</b>							<b>37.5</b>
Goodwill	195.9	325.5	133.7	52.3	40.9	0.0	748.3
Property, plant and equipment	42.4	191.7	60.2	19.0	10.0	40.3	363.6
Investments	2.2	35.4	3.0	0.2	0.1	0.0	40.9
Average no. of employees	303	453	288	86	89	18	1237
2019							
Revenue from contracts with customers	371.1	752.9	593.9	189.4	134.8	-49.6	1,992.6
Operating expenses	-345.5	-713.0	-594.4	-179.3	-120.2	17.1	-1,935.3
<b>EBITA</b>	25.6	39.9	-0.5	10.1	14.6	-32.5	57.3
Amortization of intangible assets							-28.6
<b>Operating profit (loss)</b>							<b>28.6</b>
Financial items							-19.2
<b>Profit (loss) after financial items</b>							<b>9.4</b>
Tax							-2.3
<b>PROFIT (LOSS) FOR THE PERIOD</b>							<b>7.2</b>
Goodwill	87.4	123.8	133.0	51.8	40.5	0.0	436.5
Property, plant and equipment	53.4	115.2	68.6	24.9	13.2	16.2	291.5
Investments	2.9	8.0	6.6	0.8	0.6	0.0	18.9
Average no. of employees	349	383	323	87	99	4	1,245

## NOTE 6 Employees and employee benefit expenses

### AVERAGE NUMBER OF EMPLOYEES

SEK m	2020		2019	
	Number of employees	Of which men	Number of employees	Of which men
Sweden				
- Parent Company	5	40%	5	60%
- Other companies	1297	78%	1240	79%
Norway	55	97%		
<b>Total, Group</b>	<b>1357</b>	<b>87%</b>	<b>1245</b>	<b>79%</b>

### SALARIES AND OTHER REMUNERATION

SEK m	2020	2019
Board of Directors, CEO and other senior executives	6.4	8.3
of which bonuses	0.7	0.8
Other employees	536.2	495.8
<b>Total</b>	<b>543.3</b>	<b>504.1</b>

Senior executives includes the Board of Directors, CEO and other senior executives.

### SALARIES, REMUNERATION AND SOCIAL SECURITY EXPENSES

SEK m	2020	2019
Salaries and other remuneration	543.3	504.1
Pension expenses for senior executives	1.7	2.4
Pension expenses for others	24.7	37.1
Other social security expenses	175.0	162.3
<b>Total</b>	<b>744.7</b>	<b>705.9</b>

Outstanding pension obligations for the Group's senior executives amounted to SEK 0 (0) at year end.

### GENDER BALANCE, SENIOR EXECUTIVES

	2020	2019
Percentage women, Board of Directors	33%	33%
Percentage men, Board of Directors	67%	67%
Percentage women, other senior executives	0%	0%
Percentage men, other senior executives	100%	100%

### Decision processes for remuneration

Remuneration and terms for the CEO are decided by the Board. Remuneration to other senior executives is decided by the CEO, in certain cases, having first consulted with the Chairman of the Board. Remuneration to the Chairman and Board members consists of fixed fees and meeting fees in accordance with the general meeting of shareholders' decision.

### Remuneration and terms for senior executives

Remuneration to the CEO and other senior executives consists of fixed salary, variable remuneration, pension benefits and other benefits. In the context of this note, other senior executives are the three members of the Group management team in 2020, along with the CEO. For information on the guidelines for remuneration in 2020, please see page 56 of the Corporate Governance Report. Variable remuneration refers to a bonus that is based on an earnings period of one year and the results achieved during that time compared to pre-determined targets. Other remuneration refers to benefits, like company car, health insurance and other benefits. The CEO has a notice period of 12 months when notice is issued by the Group. However, if the CEO wishes to terminate employment, the notice period the CEO must give is 6 months. Pension benefits for the CEO are 30% of pensionable salary. For other senior executives, it is 0 percent.

### Severance pay

In the event of termination by the company, the CEO and other senior executives are entitled to severance pay corresponding to, at most, 100 percent of fixed salary for a maximum of 12 months.

### Board fees

At the 2020 AGM the following fees were approved: total Board fees to Board members of SEK 750,000, of which SEK 250,000 to the Chairman and SEK 125,000 to each of the other Board members who are not employees of the company, along with a fee of SEK 75,000 to the Chairman of the Audit Committee.

### DISCLOSURES ON REMUNERATION TO SENIOR EXECUTIVES

2020	Basic salary/ Board fee	Of which, variable salary	Pension expense	Other remuneration	Total
Per Sjöstrand, Chairman of the Board	0.3	–	–	–	0.3
Tomas Bergström	0.1	–	–	–	0.1
Monica Trolle	0.1	–	–	–	0.1
Staffan Salén	0.1	–	–	–	0.1
Åsa Källenius	0.2	–	–	–	0.2
Johan Nordström, CEO	2.8	0.5	0.9	–	3.7
Other senior executives (3 in total)	3.6	0.2	0.8	0.2	4.6
<b>Total</b>	<b>7.2</b>	<b>0.7</b>	<b>1.7</b>	<b>0.2</b>	<b>9.1</b>

2019	Basic salary/ Board fee	Of which, variable salary	Pension expense	Other remuneration	Total
Per Sjöstrand, Chairman of the Board	0.3	–	–	–	0.3
Monica Trolle	0.1	–	–	–	0.1
Staffan Salén	0.1	–	–	–	0.1
Stefan Dahlbo	0.1	–	–	–	0.1
Åsa Källenius	0.2	–	–	–	0.2
Johan Nordström, CEO	2.6	0.4	0.7	–	3.3
Other senior executives (6 in total)	5.7	0.4	1.4	–	7.1
<b>Total</b>	<b>9.1</b>	<b>0.8</b>	<b>2.1</b>	<b>–</b>	<b>11.2</b>

### OPTION HOLDINGS, NUMBER

	2020	2019
Per Sjöstrand, Chairman of the Board	–	–
Monica Trolle	–	–
Staffan Salén	–	–
Stefan Dahlbo	–	–
Åsa Källenius	–	–
Johan Nordström, CEO	490,525	417,544
Other senior executives	460,006	335,978
<b>Total</b>	<b>950,531</b>	<b>753,522</b>



**NOTE 7 Remuneration to the auditors****FEES TO AUDITORS**

	2020	2019
Ernst & Young		
Audit assignment	3.2	2.4
Other services	0.9	0.2
<b>Total</b>	<b>4.1</b>	<b>2.6</b>
Other audit firms		
Audit assignment	0.6	0.0
Tax advice	0.4	0.0
Other services	0.1	0.0
<b>Total</b>	<b>5.2</b>	<b>0.0</b>

Audit refers to the statutory audit of the annual report and accounts, along with the Board's and CEO's management.

It also includes other audit and review tasks that have been performed as agreed. It includes other work that the company's auditor deems necessary, advice and other assistance resulting from observations made during the audit or execution of other such tasks.

Tax advice pertains to tax services. Other services pertains to all other significant advice in audit-related areas such as other assurance, reporting and assistance with reviews in conjunction with acquisitions.

**NOTE 8 Financial income/expenses****FINANCIAL INCOME**

	2020	2019
Other interest income	0.1	0.2
Other financial income	14.6	0.0
<b>Total</b>	<b>14.7</b>	<b>0.2</b>

Other financial income, including present value calculations of additional consideration of SEK 14.5 million.

**FINANCIAL EXPENSES**

	2020	2019
Other interest expenses	-15.9	-12.1
Interest expenses, lease liability	-5.2	-6.2
Other financial expenses	-2.8	-1.1
<b>Total</b>	<b>-23.8</b>	<b>-19.4</b>

**NOTE 9 Tax****TAX ON PROFIT FOR THE YEAR**

	2020	2019
Current tax	-19.2	-4.6
Adjustment pertaining to prior years	-0.7	0.0
Change in deferred tax asset	1.3	-3.5
Change in deferred tax liability	6.7	5.9
<b>Total</b>	<b>-11.9</b>	<b>-2.3</b>

**PROFIT (LOSS) BEFORE TAX**

	2020	2019
Profit (loss) before tax	49.4	9.4
Tax on profit for the year according to the applicable tax rate (21.4% (22%) for Sweden and 22% for Norway):	-15.3	-2.0
Tax effect of:		
Non-deductible impairment	-	-
Other non-deductible expenses	-4.4	-1.7
Other deductible expenses	5.6	0.0
Unrecognized loss carryforward	0.0	0.0
Deferred tax, recognized loss carryforward	0.0	0.0
Reversal of loss carryforward	-	-4.7
Tax effect of recognized loss carryforward	2.3	0.8
Non-taxable revenue	0.5	2.6
Group adjustments	-	2.8
Other adjustments	-0.7	-0.1
Reported tax	-11.9	-2.3

**DEFERRED TAX LIABILITY, GROUP**

	Intangible assets	Property, plant and equipment	Untaxed reserves	Total
<b>As of 1 January 2019</b>	<b>28.6</b>	<b>0.0</b>	<b>8.7</b>	<b>37.3</b>
Recognized in the income statement	-5.9	0.0	0.0	-5.9
Business combinations	3.1	0.0	0.8	3.8
Recognized in other comprehensive income	0.0	0.0	0.0	0.0
<b>As of 31 December 2019</b>	<b>25.8</b>	<b>0.0</b>	<b>9.5</b>	<b>35.1</b>
<b>As of 1 January 2020</b>	<b>25.8</b>	<b>0.0</b>	<b>9.5</b>	<b>35.1</b>
Recognized in the income statement	-8.4	0.0	9.5	-6.7
Business combinations	29.8	0.0	1.9	31.7
Recognized in other comprehensive income	0.0	0.0	0.0	0.0
<b>As of 31 December 2020</b>	<b>47.2</b>	<b>0.0</b>	<b>13.1</b>	<b>60.1</b>

**Deferred tax assets and tax liabilities**

Changes in deferred tax assets and tax liabilities are presented in the tables below. Deferred tax assets for unutilized tax loss carryforwards are reported to the extent that it is probable that they can be offset against future taxable profits.

As of 2020-12-31 the Group's tax deficits amounted to SEK 88.5 (98.5) million. Deferred tax assets associated with loss carryforwards amount to SEK 16.9 (16.6) million.

There is no time limitation on utilization of the loss carryforwards.

**DEFERRED TAX ASSET, GROUP**

	Deferred tax asset, leasing	Unutilized loss carryforward	Total
<b>As of 1 January 2019</b>	<b>0.0</b>	<b>21.3</b>	<b>21.3</b>
Recognized in the income statement	1.2	-4.7	-3.5
Recognized in other comprehensive income	0.0	0.0	0.0
<b>As of 31 December 2019</b>	<b>1.2</b>	<b>16.6</b>	<b>17.8</b>
<b>As of 1 January 2020</b>	<b>1.2</b>	<b>16.6</b>	<b>17.8</b>
Recognized in the income statement	1.0	0.3	1.3
Recognized in other comprehensive income	0.0	0.0	0.0
<b>As of 31 December 2020</b>	<b>2.2</b>	<b>16.9</b>	<b>19.1</b>

## NOTE 10 Earnings per share

Basic earnings per share is calculated using earnings attributable to the Parent Company's shareholders divided by the average number of ordinary shares during the period.

Diluted earnings per share is calculated using earnings attributable to the Parent Company's shareholders divided by the average number of ordinary shares during the period, adjusted for the effect of the share-option plans based on the average share price during the period. If the share price is lower than the subscription price, there will be no dilutive effect.

### PROFIT (LOSS) ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

	2020	2019
Profit (loss) attributable to the Parent Company's shareholders as per the income statement	21.8	7.2
<b>Total</b>	<b>21.8</b>	<b>7.2</b>

### Average number of shares

	2020	2019
Weighted average number of shares during the period before dilution	41,796,063	35,917,758
Effect of dilution from share-option plans	190,612	281,992
<b>Weighted average number of shares during the period after dilution</b>	<b>41,986,675</b>	<b>36,199,750</b>

	2020	2019
Basic earnings per share, SEK	0.90	0.20
Diluted earnings per share, SEK	0.89	0.20

## NOTE 11 Group information

The Group's annual report includes the Parent Company and the following subsidiaries:

Shares are held in the following subsidiaries:	CIN	Registered office	Share of equity	Share of the voting power	Number of shares	Carrying amount 2020-12-31	Carrying amount 2019-12-31
Green Landscaping AB	556773-4800	Malmö	100%	100%	100,000	164.6	164.6
Green Landscaping Malmö AB	559236-7402	Malmö	100%	100%	500	2.1	-
Green Landscaping Skåne AB	559236-7394	Malmö	100%	100%	500	2.1	-
Green Landscaping Helsingborg AB	559236-7428	Malmö	100%	100%	500	2.1	-
Green Landscaping Incentive AB	559148-3432	Stockholm	100%	100%	50,000	0.1	0.1
Västsvensk Markservice AB	559270-2616	Gothenburg	100%	100%	500	0.5	-
Trädgård & Markmiljö i Väst AB	559270-3481	Gothenburg	100%	100%	500	0.5	-
Pa10 Park & Trädgård AB	559270-3473	Gothenburg	100%	100%	500	0.5	-
Green Östergötland AB	559270-3440	Linköping	100%	100%	500	0.5	-
Grönytespecialisterna i Stockholm AB	559270-3499	Stockholm	100%	100%	500	0.5	-
GRÖN STAD Mark och Anläggning AB	559270-3507	Stockholm	100%	100%	500	0.5	-
Markservice STHLM AB	559270-2608	Stockholm	100%	100%	500	0.5	-
Svensk Markservice Holding AB	556812-8002	Stockholm	100%	100%	1,000	223.9	223.9
Svensk Markservice AB	556420-4823	Stockholm	100%	100%	1,200	146.7	146.7
GML Sport AB	556369-3372	Ljungby	100%	100%	1,000	20.7	20.7
GML Sport Anläggning AB	559092-8601	Ljungby	100%	100%	50,000	0.1	0.1
P.A.R.K. i Syd AB	556750-1357	Helsingborg	100%	100%	1,500	20.6	-
Tranemo Trädgårdstjänst AB	556177-8472	Tranemo	100%	100%	2,000	32.5	32.5
Björntreprenad AB	556379-0722	Stockholm	100%	100%	1,000	54.1	54.1
J E Eriksson Mark & Anläggningsteknik AB	556558-6079	Stockholm	100%	100%	1,000	27.8	21.9
Svensk Jordelit AB	556207-6660	Mölnådal	100%	100%	1,000	35.9	35.9
Jacksons Trädvård AB	556591-9858	Stockholm	100%	100%	1,000	18.2	18.2
Jacksons Trädvård Sydvest AB	556846-9919	Kungsbacka	100%	100%	500	4.8	4.8
Mark & Miljö Projekt i Sverige AB	556756-6533	Malmö	100%	100%	1,000	40.9	41.2
Mark & Trädgård i Skottorp AB	556878-0521	Laholm	100%	100%	500	37.1	43.1
Bengtssons Trädgårdsanläggningar AB	556839-7227	Malmö	100%	100%	1,000	144.7	-
Thormans Entreprenad AB	556720-0745	Linköping	100%	100%	1,500	15.7	-
GL Interest Norway AS	925854328	Gran, Norway	100%	100%	3,000	0.1	-
GAST Entreprenør AS	987627484	Gran, Norway	100%	100%	200	124.2	-
Hadeland Maskindrift AS	991100296	Brandbu, Norway	100%	100%	200	152.6	-
HMD Maskin AS	916184999	Brandbu, Norway	100%	100%	70	26.8	-
Oveland Utemiljø AS	984130457	Froland, Norway	100%	100%	4,500	51.4	-
<b>Total</b>						<b>1,350.5</b>	<b>807.8</b>

Of the companies specified above, SEK 1,198.9 (656.2) is reported in the Parent Companies.



**NOTE 12 Business combinations**

During the year, Green Landscaping Group AB (publ) acquired seven companies, along with one net asset acquisition. For all of the acquired companies, 100 percent of the shares were acquired. During the second quarter, the subsidiary GAST Entreprenør AS made a net asset acquisition of TH Anlegg AS. One acquisition was made during the prior financial year.

According to agreements on contingent consideration, the Group must make additional cash payments based on future results. Contingent consideration to be paid by the Group based on the future results of current and prior year acquisitions is a maximum of SEK 90.7 million. Additional consideration is based on the terms in the purchase agreement, the company's knowledge of operations and how the current economic climate is expected to impact them. The fair value of contingent consideration is at Level 3 of the fair value hierarchy in accordance with IFRS.

Goodwill of SEK 307.8 SEK (18.0) million that has arisen from acquisitions represents future economic benefits that are neither individually identified nor separately reported, such as future sales growth and

profitability, as well as employees of the acquired companies. Goodwill is allocated to segments when assessing any impairment need. Allocation is to the cash-generating units that are expected to benefit from the business combination that gave rise to the goodwill. Impairment testing on goodwill involves assessing whether the unit's recoverable amount is higher than the carrying amount. The recoverable amount has been calculated on the basis of the unit's value-in-use, which is comprised of the present value of the unit's expected future cash flows, without taking into consideration any future plans to expand or restructure the business. The same significant assumptions have been made for all segments. The cash flows have been based on financial forecasts covering 5 years and on a constant rate of growth.

In March 2021, Green Landscaping Group acquired Akershusgartneren AS in Norway. The purchase price amounts to SEK 142.9 million. There is no additional purchase price. A preliminary acquisition analyses was made at the time when this report was issued, with a resulting goodwill of SEK 89.8 million.

Company name	Segment	Acquisition date	Full-year sales	Number of employees
GAST Entreprenør AS	Region West	February 2020	129.0	36
P.A.R.K. i Syd AB	Region South	February 2020	46.7	13
Hadeland Maskindrift AS	Region West	September 2020	219.8	77
HMD Maskin AS	Region West	September 2020	23.2	-
Oveland Utemiljø AS	Region West	October 2020	49.5	31
Bengtssons Trädgårdsanläggningar AB	Region South	October 2020	93.2	29
Thormans Entreprenad AB	Region West	December 2020	123.4	119
Mark & Trädgård Skottorp AB	Region South	July 2019	41.5	35

**NOTE 12 Business combinations, cont.****Effects of acquisitions**

The acquisitions have the following effects on the Group's assets and liabilities. None of the acquisitions made in the period are individually assessed as being significant, which is why the information on acquisitions is at the overall level. The acquisition analyses for companies acquired in 2020 are preliminary.

SEK m	2020-12-31	2019-12-31
Brands	17.0	1.0
Customer relations/contracts	128.2	12.2
Other fixed assets	117.0	1.5
Net other assets and liabilities	-30.5	-2.2
Cash and cash equivalents	33.5	15.6
Deferred tax liability	-36.5	-3.7
<b>Net identifiable assets and liabilities</b>	<b>228.7</b>	<b>24.4</b>
Goodwill	307.8	18.0
<b>Impact on cash and cash equivalents</b>		
Cash consideration (included in cash flow from investing activities)	-360.7	-31.6
Cash and cash equivalents of acquired companies (included in cash flow from investing activities)	33.5	16.4
Acquisition costs (included in cash flow from operating activities)	-7.7	0.7
<b>Total impact on cash and cash equivalents</b>	<b>-334.9</b>	<b>-14.5</b>
<b>Impact on sales and operating profit (loss) during the holding period</b>		
Sales	301.4	25.1
Operating profit (loss)	50.0	3.6
<b>Additional consideration</b>		
Opening amount	14.4	24.0
Change for the year	-8.2	0.0
Added additional consideration	96.7	6.0
Reversal of unsettled additional consideration	-6.3	-7.7
Paid additional consideration	-5.9	-7.9
<b>Closing amount</b>	<b>90.7</b>	<b>14.4</b>

**NOTE 13 Measured at fair value**

The following table shows the Group's fair value hierarchy for assets and liabilities.

**Additional consideration:** Expected cash flows are estimated based on the terms in the purchase agreement, the company's knowledge of operations and how the current economic climate is expected to impact them.

The discount rate used for the present value calculation was 7.1%.

2020-12-31			
	Level 1	Level 2	Level 3
	quoted prices	directly or indirectly observable inputs	Non-observable inputs
<b>Financial liabilities</b>			
Additional consideration	–	–	90.7
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>90.7</b>

2019-12-31			
	Level 1	Level 2	Level 3
	quoted prices	directly or indirectly observable inputs	Non-observable inputs
<b>Financial liabilities</b>			
Additional consideration	–	–	14.4
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>14.4</b>

**ADDITIONAL CONSIDERATION**

	2020-12-31	2019-12-31
Opening amount	14.4	24.0
Change for the year	-8.2	0.0
Added additional consideration	96.7	6.0
Reversal of unsettled additional consideration	-6.3	-7.7
Paid additional consideration	-5.9	-7.9
<b>Closing amount</b>	<b>90.7</b>	<b>14.4</b>

**NOTE 14 Intangible assets**

	Software	Customer relations/ contracts	Brands	Goodwill	TOTAL
<b>Financial year 2019</b>					
Opening cost	41.2	101.0	51.5	418.8	612.5
Acquisitions for the year	3.6	–	–	–	3.6
Business combinations	4.1	12.3	1.0	17.6	35.0
Closing accumulated cost	48.9	113.3	52.5	436.3	651.1
Opening amortization	-37.5	-17.6	–	–	-55.2
Business combinations	–	–	–	–	–
Amortization for the year	-1.6	-27.8	–	–	-29.4
Closing accumulated amortization	-39.1	-45.4	–	–	-84.5
<b>Closing carrying amount 2019</b>	<b>9.8</b>	<b>67.9</b>	<b>52.5</b>	<b>436.3</b>	<b>566.5</b>
<b>Financial year 2020</b>					
Opening cost	48.9	113.3	52.5	436.3	651.1
Acquisitions for the year	0.6	–	0.1	–	0.7
Business combinations	1.6	128.2	18.4	316.3	464.5
Translation difference	0.0	-4.4	-1.9	-4.3	-10.8
Closing accumulated cost	51.2	237.2	69.1	748.3	1,105.7
Opening amortization	-39.1	-45.4	–	–	-84.5
Business combinations	–	–	–	–	–
Amortization for the year	-1.7	-40.9	–	–	-42.5
Translation gains or losses	0.0	-0.1	–	–	-0.1
Closing accumulated amortization	-40.8	-86.4	–	–	-127.1
<b>Closing carrying amount 2020</b>	<b>10.4</b>	<b>150.9</b>	<b>69.1</b>	<b>748.3</b>	<b>978.7</b>

Acquisitions made during the year are specified in Note 12 Business combinations.

**NOTE 15 Right-of-use assets**

	Premises	Plant and machinery	Cars and equipment	TOTAL
<b>Financial year 2019</b>				
Opening cost	0	0	0	0
Changed accounting policy	119.4	-48.6	72.1	142.9
Acquisitions for the year	34.0	37.6	33.2	104.8
Business combinations	–	–	–	0.0
Sales/disposals	-16.0	-5.8	-28.1	-49.9
Reclassifications	0.0	263.1	0.0	263.1
<b>Closing accumulated acquisition value</b>	<b>137.4</b>	<b>246.3</b>	<b>77.2</b>	<b>460.9</b>
Opening depreciation	0.0	0.0	0.0	0.0
Business combinations	–	–	–	–
Sales/disposals	6.5	5.3	10.3	22.1
Reclassification	–	-160.9	–	-160.9
Depreciation for the year	-31.7	-26.3	-28.2	-86.2
<b>Closing accumulated depreciation</b>	<b>-25.2</b>	<b>-181.9</b>	<b>-17.9</b>	<b>-225.0</b>
<b>Closing carrying amount</b>	<b>112.2</b>	<b>64.4</b>	<b>59.3</b>	<b>235.9</b>
<b>Financial year 2020</b>				
Opening cost	137.4	246.3	77.2	460.9
Acquisitions for the year	8.8	5.2	13.8	27.8
Business combinations	–	–	–	0.0
Sales/disposals	-9.5	-8.4	-6.0	-23.9
Translation difference	0.0	0.0	0.0	0.0
<b>Closing accumulated acquisition value</b>	<b>136.7</b>	<b>243.1</b>	<b>85.0</b>	<b>464.8</b>
Opening depreciation	-25.2	-181.9	-17.9	-225.0
Business combinations	–	–	–	0.0
Sales/disposals	9.4	6.1	3.4	18.9
Depreciation for the year	-28.6	-23.8	-21.7	-74.1
Translation difference	-0.7	0.0	0.0	-0.7
<b>Closing accumulated</b>	<b>-45.1</b>	<b>-199.6</b>	<b>-36.2</b>	<b>-280.9</b>
<b>Closing carrying amount</b>	<b>91.6</b>	<b>43.5</b>	<b>48.8</b>	<b>183.9</b>

See Note 28 for more information on leases.

During 2019, there have been some reclassifications pertaining to machinery and manufacturing equipment which, in 2018, was included in the note on property, plant and equipment because they pertained to leasing.



## NOTE 16 Goodwill and other intangible assets with indefinite useful life

Consolidated goodwill amounts to SEK 748.3 (436.3) million and it is attributable to the acquisition of subsidiaries. Goodwill is allocated to segments as follows: Region South SEK 195.9 million, Region West 325.5 million, Region East 133.7 million, Region Middle 52.3 million and Region North 40.9 million. Goodwill is tested for impairment annually, or more often, if there is an indication of impairment. Impairment testing is done at the segment level.

Impairment testing on goodwill involves assessing whether the unit's recoverable amount is higher than the carrying amount. The recoverable amount has been calculated on the basis of the unit's value-in-use, which is comprised of the present value of the unit's expected future cash flows, without taking into consideration any future plans to expand or restructure the business. The same significant assumptions have been made for all segments.

The cash flows have been based on financial forecasts covering 5 years and on a constant rate of growth of 2% (2%). The market is expected to grow by 4-6 % per year. When testing for impairment, it has been assumed that growth will be at a low level in 2021, in line with the market in 2022 and at the rate of 2% thereafter.

The discount rate before tax used for the present value calculation was 8.9% (8.1%). Impairment testing has not indicated that there is a need to record any impairment losses. No reasonably possible changes in important assumptions would lead to a write-down requirement.

For the Region South segment, a change in the discount rate of +/- 2% would result in a decrease/increase of the value-in-use by SEK 175 million/SEK 317 million. A change in sales of +/- 2.5% would result in a decrease/increase of the value-in-use by SEK 90 million/SEK 101 million. A change in EBITA of +/- 2% would result in a decrease/increase of the value-in-use by SEK 16 million.

For the Region West segment, a change in the discount rate of +/- 2% would result in a decrease/increase of the value-in-use by SEK 345 million/SEK 626 million. A change in sales of +/- 2.5% would result in a decrease/increase of the value-in-use by SEK 171 million/SEK 191 million. A change in EBITA of +/- 2% would result in a decrease/increase of the value-in-use by SEK 35 million.

For the Region East segment, a change in the discount rate of +/- 2% would result in a decrease/increase of the value-in-use by SEK 118 million/SEK 215 million. A change in sales of +/- 2.5% would result in a decrease/increase of the value-in-use by SEK 65 million/SEK 73 million. A change in EBITA of +/- 2% would result in a decrease/increase of the value-in-use by SEK 73 million.

For the Region Middle segment, a change in the discount rate of +/- 2% would result in a decrease/increase of the value-in-use by SEK 41 million/SEK 72 million. A change in sales of +/- 2.5% would result in a decrease/increase of the value-in-use by SEK 21 million/SEK 22 million. A change in EBITA of +/- 2% would result in a decrease/increase of the value-in-use by SEK 5 million.

For the Region North segment, a change in the discount rate of +/- 2% would result in a decrease/increase of the value-in-use by SEK 32 million/SEK 58 million. A change in sales of +/- 2.5% would result in a decrease/increase of the value-in-use by SEK 16 million/SEK 18 million. A change in EBITA of +/- 2% would result in a decrease/increase of the value-in-use by SEK 4 million.

## NOTE 17 Property, plant and equipment

	Plant and machinery	Equipment, tools, fixtures and fittings	Expenditure for improvement on unowned property	TOTAL
<b>Financial year 2019</b>				
Opening cost	407.0	85.3	6.9	499.2
Acquisitions for the year	8.5	9.2	1.2	18.9
Acquisitions	4.5	3.8	–	8.3
Sales/disposals	-12.4	-8.9	-0.1	-21.3
Reclassifications	-290.7	4.4	–	-286.3
<b>Closing accumulated cost</b>	<b>116.9</b>	<b>93.8</b>	<b>8.0</b>	<b>218.8</b>
Opening depreciation	-274.3	-53.4	-6.1	-333.8
Acquisitions	–	–	–	–
Sales/disposals	10.8	8.4	0.1	19.3
Reclassifications	175.7	-2.8	–	172.9
Depreciation for the year	-7.8	-13.1	-0.5	-21.4
<b>Closing accumulated depreciation</b>	<b>-95.6</b>	<b>-60.9</b>	<b>-6.5</b>	<b>-163.0</b>
<b>Closing carrying amount 2019</b>	<b>21.3</b>	<b>32.9</b>	<b>1.5</b>	<b>55.7</b>
<b>Financial year 2020</b>				
Opening cost	116.9	93.8	8.0	218.7
Acquisitions for the year	13.6	26.8	0.5	40.9
Acquisitions	52.4	60.2	0.4	113.0
Sales/disposals	-11.0	-4.8	–	-15.8
Reclassifications	–	–	–	–
<b>Closing accumulated cost</b>	<b>171.9</b>	<b>176.0</b>	<b>8.9</b>	<b>356.8</b>
Opening depreciation	-95.6	-60.9	-6.5	-163.0
Acquisitions	–	–	–	–
Sales/disposals	6.4	3.8	–	10.2
Translation difference	-0.3	-0.4	–	-0.7
Depreciation for the year	-10.2	-12.2	-0.8	-23.6
<b>Closing accumulated depreciation</b>	<b>-99.7</b>	<b>-70.1</b>	<b>-7.3</b>	<b>-177.1</b>
<b>Closing carrying amount 2020</b>	<b>72.2</b>	<b>105.9</b>	<b>1.6</b>	<b>179.7</b>

The reclassifications for machinery and equipment, stemming from implementation of IFRS 16 in 2019, amount to SEK 263.3 million for cost of acquisition and SEK 160.6 million for accumulated depreciation. For the 2018 financial year, those amounts were included in the note on property, plant and equipment since they pertain to leases. With the transition to IFRS 16, they are presented in a separate note on right-of-use assets. See Note 15 for information on right-of-use assets.

**NOTE 18 Financial assets and liabilities**

All financial instruments reported in the balance sheet have been classified in different measurement categories. Measurement of financial instruments is based on this classification.

Fair value does not deviate significantly from nominal value, which means that amortized cost is approximately the same as fair value.

Because of the their short duration, accounts receivable and other similar receivables have been measured at the nominal amount. In the financial statements, earned (but not yet invoiced) revenue and accrued revenue are reported as contract assets in the financial statements, which is in accordance with IFRS 15.

Likewise, and also because of their short duration, accounts payable, bank overdraft and other current claims have also been measured at the nominal amount. The table below shows the fair values compared to the carrying amounts for other financial liabilities.

For the Group's interest-bearing loans, fair value has been calculated using the effective interest method. The present value of additional consideration has been calculated, with consideration also given to the expected outcome, which is reported in profit or loss.

**Financial assets**

Green Landscaping has the following financial assets, all of which have been classified and measured at amortized cost: The Group only classifies its financial assets as assets measured at amortized cost when the following conditions have been met:

- The asset is included in a business model, where the goal is to collect contractual cash flows and
- The contractual terms give rise to, at specific times, cash flows that only consist of principle and interest on the outstanding amount of capital.

**FINANCIAL ASSETS**

	2020-12-31		2019-12-31	
	Carrying amount	Fair value	Carrying amount	Fair value
Other non-current receivables	1.3	1.3	0.3	0.3
Accounts receivable	389.3	389.3	294.7	294.7
Cash and cash equivalents	95.4	95.4	44.5	44.5
<b>Total</b>	<b>486.0</b>	<b>486.0</b>	<b>339.5</b>	<b>339.5</b>

Because of the their short duration, accounts receivable and other similar receivables have been measured at the nominal amount.

**Financial liabilities**

Green Landscaping has the following financial liabilities, all of which have been classified and measured at amortized cost or fair value:

Additional consideration measured at fair value, see Note 13 Other financial liabilities are reported at undiscounted cash flows.

**FINANCIAL LIABILITIES**

	2020-12-31		2019-12-31	
	Carrying amount	Fair value	Carrying amount	Fair value
Accounts payable - trade	172.9	172.9	161.2	161.2
Bank overdraft	4.5	4.5	19.3	19.3
Liabilities to credit institutions (non-current and current)	702.1	702.1	483.0	483.0
Lease liability (non-current and current)	185.4	185.4	232.5	232.5
Additional consideration	90.7	90.7	14.4	14.4
<b>Total</b>	<b>1155.6</b>	<b>1155.6</b>	<b>910.4</b>	<b>910.4</b>

The financial liabilities have the following maturities:

	2020-12-31	< 3 months	3-12 months	1-5 years	> 5 years	Total
Accounts payable - trade	172.9	170.6	2.3			172.9
Bank overdraft	4.5	4.5				4.5
Additional consideration	90.7	–	5.5	85.2	–	90.7
Liabilities to credit institutions (non-current and current)	702.1		134.3	312.6	255.3	702.1
Lease liability (non-current and current)	185.4	17.8	46.2	109.6	11.8	185.4
<b>Total</b>	<b>1155.6</b>	<b>193.0</b>	<b>188.3</b>	<b>507.4</b>	<b>267.1</b>	<b>1155.6</b>

	2019-12-31	< 3 months	3-12 months	1-5 years	> 5 years	Total
Accounts payable - trade	161.2	160.0	1.2	–	–	161.2
Bank overdraft	19.3	19.3	–	–	–	19.3
Additional consideration	14.4	–	–	14.4	–	14.4
Liabilities to credit institutions (non-current and current)	483.0	13.3	40.2	259.2	170.3	483.0
Lease liability (non-current and current)	232.5	20.3	52.9	137.8	21.5	232.5
<b>Total</b>	<b>910.4</b>	<b>212.9</b>	<b>94.3</b>	<b>411.4</b>	<b>191.8</b>	<b>910.1</b>

See also Note 31 for information on the Group's bank overdraft.

**NOTE 18 Financial assets and liabilities, cont.****Risks****Market risk**

Market risk is a risk that the fair value of future payments will fluctuate due to changes in the market. Market risk is typically comprised of interest rate risk, currency risk and other price risks.

For Green Landscaping, interest rate risk is the most significant of these and a sensitivity analysis has been conducted. This analysis shows the risk associated with financial liabilities as of 2020-12-31. A change in market interest rates impacts the consolidated income statement. Green Landscaping follows an approach whereby it has short fixed interest periods over a business cycle. However, the Group may decide on longer fixed interest periods if doing so is strategically advantageous. The CFO is responsible for suggesting such measures to the Board. Once or twice per year, the Board is required to make decisions on the maturities for all or part of the loans.

**SENSITIVITY ANALYSIS, FINANCIAL LIABILITIES**

	2020-12-31	2019-12-31
Total liability to credit institutions	702.1	483.0
Increase in interest rates by 1.0%	7.0	4.8
Decrease in interest rates by 1.0%	-7.0	-4.8

**Credit risk**

Credit risk is the risk that a counterparty will not be able to fulfill its contractual obligations, which leads to a credit loss. The Group is exposed to credit risk via its operating activities, particularly as regards accounts receivable and contract assets. There is also risk associated with financing activities attributable to cash balances at credit institutions.

**Accounts receivable and contract assets**

The Group applies the simplified approach that is allowed in IFRS 9 regarding accounts receivable and contract assets when calculating the reserve for expected credit losses. This approach requires recognition of a reserve for expected credit losses on accounts receivable and contract assets over the entire remaining life of the asset.

In 2020, approximately 70 percent of the company's net sales was revenue from customers in the public sector, such as municipalities, government authorities and public property and housing companies. The remaining 30 percent of the company's net sales in 2020 was derived from the private sector, such as privately-owned property and housing companies, housing cooperatives and other companies.

The table below shows the expected credit losses for accounts receivable and contract assets.

**MATURITY ANALYSIS FOR ACCOUNTS RECEIVABLE AND CONTRACT ASSETS 31 DECEMBER 2019**

	2020-12-31	2019-12-31
Expected credit loss, %	0.1	0.1
Carrying amount	460.7	367.8
Expected credit loss	-4.6	-2.4

**Liquidity risk**

The Group works with liquidity planning on a continual basis and it monitors payment flows to ensure that it has the necessary amount of cash on hand. The nature of the company's operations requires very little capital. Cash is required for running machinery, cars and tools, for example. Working capital is also required to cover the difference between payment outflows and inflows. Otherwise, capital is required for making acquisitions. The company's capital strategy involves running the organization with as little capital as possible, while simultaneously ensuring that it has access to credit such that it can implement its acquisition strategy.

Company policies state that all borrowing occurs centrally and liquidity is optimized by having subsidiaries linked to the Group's cash pool.

The CFO is responsible for all financial investments. Investments may only be made in instruments with a high level of creditworthiness and where the investments can be converted to cash within three business days.

**Refinancing risk**

Refinancing risk is the risk that financing cannot be obtained or renewed upon maturity, or that it can only be obtained or renewed at a significantly higher cost. The company primarily finances its operations through equity, borrowings and the Group's own cash flows. If the company fails to obtain the necessary financing in the future, or if financing can only be obtained on terms that are much more disadvantageous to the company, it could have a negative impact on the company's operations, financial position and earnings. The Group has guidelines in place for its refinancing activities and it maintains a constant dialog with its creditors to ensure that refinancing is ensured over the long term, and in a sustainable way.

**CHANGES ATTRIBUTABLE TO FINANCING ACTIVITIES**

	2020-01-01	Cash flow	Reclassification	Change in fair value	Other	2020-12-31
Additional consideration	14.4	-5.9	–	-8.2	90.4	90.7

	2019-01-01	Cash flow	Reclassification	Change in fair value	Other	2019-12-31
Additional consideration	24.0	-7.9	–	–	-1.7	14.4

**Capital management**

The Board's goal is to maintain a good financial position such that the company is able to retain the confidence of its investors, creditors and the market, along with providing the foundation for a continued good development of the business.

The Group assesses its capital from the perspective of working capital. This key figure is calculated as current assets (not including cash and cash equivalents) less current liabilities. There are seasonal variations, however, which impact working capital from month to month. The Group's long-term goal is to ensure that working capital does not decrease by more than 1% between comparable periods.

As of 31 December 2020, working capital was SEK -36.3 (70.2) million.



**NOTE 19 Inventories****INVENTORIES**

	2020-12-31	2019-12-31
Finished goods	27.7	26.4
<b>Total</b>	<b>27.7</b>	<b>26.4</b>

**NOTE 20 Accounts receivable and contract assets****ACCOUNTS RECEIVABLE AND CONTRACT ASSETS**

	2020-12-31	2019-12-31
Accounts receivable from external customers	389.3	297.1
Contract assets	71.5	70.7
Provision for doubtful debts	0.0	-2.4
<b>Total</b>	<b>460.7</b>	<b>365.4</b>

Accounts receivable are not interest-bearing and payment terms are typically 30 days. For more information on the change in contract balances, please see Note 4.

**OVERDUE ACCOUNTS RECEIVABLE**

	2020-12-31	2019-12-31
Not yet due	322.5	246.1
0-30 days	50.0	38.2
31-90 days	7.0	5.3
> 90 days	9.8	7.4
<b>Total</b>	<b>389.3</b>	<b>279.1</b>

**PROVISION FOR DOUBTFUL DEBTS**

	2020-12-31	2019-12-31
Opening amount	-2.4	-1.7
Business combinations	-1.7	0.0
Provision for bad debt losses for the year	-0.8	-1.2
Confirmed bad debt losses	0.4	0.5
Reversal of unutilized reserve	0.2	0.0
<b>Total</b>	<b>-4.3</b>	<b>-2.4</b>

Significant changes in the value of accounts receivable and contract assets are presented in Note 4 Information on credit risk. Information on exposure is presented in Note 18.

**NOTE 21 Prepaid expenses and accrued income****PREPAID EXPENSES AND ACCRUED INCOME**

	2020-12-31	2019-12-31
Prepaid rent	9.3	6.5
Prepaid insurance premiums	1.2	2.5
Accrued income	1.1	0.0
Supplier bonus	13.9	10.0
Other prepaid expenses	2.9	8.2
<b>Total</b>	<b>28.3</b>	<b>27.2</b>

**NOTE 22 Cash and cash equivalents****CASH AND CASH EQUIVALENTS**

	2020-12-31	2019-12-31
Cash deposits with banks and cash-on-hand	95.4	44.5
Bank overdraft	-4.5	-19.3
<b>Total</b>	<b>90.9</b>	<b>25.2</b>

For more information on bank overdraft, please see Note 31.

**NOTE 23 Share capital and other contributed capital****Share capital**

The Parent Company's share capital consists solely of fully paid ordinary shares at a nominal value (quotient value) of SEK 0.071/share.

The company has 47,726,987 Class A shares that are ordinary shares.

**Options plan**

The company has three incentive programs for key employees of the Group.

The first incentive program was set up in 2018. With full utilization of the company's incentive programs, a total of at most 1,794,832 shares will be issued (after the rights issue), which will have a maximum dilutive effect of approximately 3.7 percent of share capital. The subscription price for shares that are subscribed to via the warrants is SEK 25.45 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 1.53. Subscription of shares may occur during the period 23 March 2021 through 23 June 2021. With full utilization of the warrants, the company's share capital will increase by SEK 127,433.

The second incentive program was set up in 2019. With full utilization of the program, a total of 783,290 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 1.7 percent. The subscription price for shares that are subscribed to via the warrants is SEK 37.94 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 5.19. Subscription of shares may occur during the period 16 March 2022 through 7 June 2022. With full utilization of the warrants, the company's share capital will increase by SEK 55,614.

The third incentive program was set up in 2020. With full utilization of the program, a total of 595,515 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 1.3 percent. The subscription price for shares that are subscribed to via the warrants is SEK 27.87 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 2.70. Subscription of shares may occur during the period 22 March 2023 through 16 June 2023. With full utilization of the warrants, the company's share capital will increase by SEK 42,282.

**NOTE 24 Provisions**

All provisions are reported as either current or non-current liabilities by the Group and under the heading "Provisions" by the Parent Company. The carrying amounts and changes in carrying amounts are as follows:

**OTHER PROVISIONS**

	2020-12-31	2019-12-31
Amount at beginning of year	1.5	5.0
Business combinations	0.4	–
Provisions for the year	0.7	0.4
Reversal of unutilized provision	-1.1	–
Amount used during the year	-0.2	-3.9
<b>Total</b>	<b>1.2</b>	<b>1.5</b>

**SPECIFICATION OF OTHER PROVISIONS**

	2020-12-31	2019-12-31
Guarantees/warranties	1.2	1.5
<b>Total</b>	<b>1.2</b>	<b>1.5</b>

Provisions that are reported as of the acquisition date for a business combination are included in "Business Combinations" above. Other provisions pertain to various types of legal and other claims from customers, such as guarantees/warranties.

Typically, claims are settled within 1 to 36 months of when the claim is made, depending on the type of problem and remedy required. Provisions are thus categorized as either current or non-current.

**NOTE 25 Non-current liabilities****NON-CURRENT LIABILITIES**

	2020-12-31	2019-12-31
Liabilities to credit institutions maturing between 1 and 5 years	312.5	259.2
Liabilities to credit institutions maturing in more than 5 years	255.3	170.3
Lease liabilities maturing between 1 and 5 years	104.4	140.5
Lease liabilities maturing in more than 5 years	11.8	21.5
Other non-current liabilities that mature between 1 and 5 years	83.0	0.0
<b>Total</b>	<b>767.0</b>	<b>591.5</b>

As of 2020, additional consideration is classified as other liabilities, both current and non-current.

**Liabilities to credit institutions**

The Group has a bank loan that matures after another 2 years. The bank loan was acquired at the going market rate. The credit facility contains the ordinary terms and conditions for this type of credit, including covenants linked to such things as the gearing ratio and adjusted EBITDA. There are also terms and conditions on termination/cancellation. It also contains terms and conditions pertaining to missed or early repayment in conjunction with such things as a change in ownership at the company. There are also limitations on taking new loans over a certain amount from other creditors.

**NOTE 26 Contract liabilities****CONTRACT LIABILITIES**

	2020-12-31	2019-12-31
Current advance payments from customers	28.9	22.1
<b>Total</b>	<b>28.9</b>	<b>22.1</b>

**NOTE 27 Accrued expenses and deferred income****ACCRUED EXPENSES AND DEFERRED INCOME**

	2020-12-31	2019-12-31
Accrued salaries	19.5	16.2
Accrued vacation pay	61.0	47.7
Accrued social security contributions	32.8	30.7
Accrued interest expenses	0.6	0.3
Other prepaid income	0.1	0.0
Other accrued expenses	28.5	41.7
<b>Total</b>	<b>142.5</b>	<b>136.6</b>

**NOTE 28 Leasing****Finance leases as lessor**

The Group has lease agreements in place for vehicles and machinery, office equipment, other equipment and premises. For more a breakdown on the categories of right-of-use assets, please see Note 15. For more information on the duration of lease liabilities, please see Note 18. For information on the effect of leasing on the Group's cash flow, please see Note 35.

**COMPONENTS OF LEASE LIABILITY**

	Premises	Machinery and manufact. equip.	Cars and equipment	TOTAL
Opening balance 2019-01-01	113.5	51.9	70.1	235.5
Acquisitions	24.3	37.0	22.9	84.2
Interest	2.6	1.8	1.8	6.3
Depreciation	-31.6	-27.3	-34.6	-93.5
Closing balance 2019-12-31	108.8	63.5	60.3	232.5
Opening balance 2020-01-01	108.8	63.5	60.3	232.5
Acquisitions	9.0	5.2	13.8	28.0
Interest	2.2	1.5	1.5	5.2
Depreciation	-31.4	-24.7	-24.0	-80.2
Translation difference	-0.1	0.0	0.0	-0.1
Closing balance 2020-12-31	88.5	45.5	51.5	185.4

**EXPENSED LEASING**

	2020-12-31	2019-12-31
Depreciation, right-of-use assets	74.1	86.1
Interest expenses attributable to lease liabilities	5.2	6.3
<b>Total</b>	<b>79.3</b>	<b>92.4</b>

**NOTE 29 Pledged assets and contingent liabilities****Pledged assets**

The Group has the following pledged assets for own liabilities to credit institutions

**PLEDGED ASSETS**

	2020-12-31	2019-12-31
Chattel mortgages	10.9	4.7
Frozen funds	2.2	0.1
Shares in Group companies	0.0	0.0
Machinery with ownership reservation	8.2	5.0
<b>Total</b>	<b>21.2</b>	<b>9.8</b>

See also Note 25 for terms on finance agreements

**NOTE 30 Pension liabilities**

The company only has defined contribution plans. Expenditure for defined contribution plans is expensed in the period when the employee performs the services underlying the obligation.

**NOTE 31 Current liabilities****CURRENT LIABILITIES**

	2020-12-31	2019-12-31
Bank overdraft	4.5	19.3
Accounts payable - trade	172.9	161.2
<b>Total</b>	<b>177.4</b>	<b>180.5</b>

**Accounts payable - trade**

All accounts payable are in SEK or NOK. The normal payment terms are 30 days. For information on how the Group manages its liquidity risk, see Note 18, Risks.

**Bank overdraft****BANK OVERDRAFT**

	2020-12-31	2019-12-31
Granted credit	58.0	50.0
Utilized credit	4.5	19.3

See also Note 22 for information on the Group's cash and cash equivalents.

**NOTE 32 Other operating expenses**

Other operating expenses	2020	2019
Administration costs	-17.1	-15.1
Hired staff	-7.7	-7.1
External services	-58.1	-25.0
Issue costs	0.0	-7.8
Acquisition costs/integration costs	-7.7	-25.1
Other	-5.6	-8.0
<b>Total</b>	<b>-96.2</b>	<b>-88.1</b>

Integration costs consist primarily of the costs for moving to shared premises, IT integration, consultants, salary costs for redundant staff and discontinuation of some of the landscaping operations in Region East.

**NOTE 33 Transactions with related parties**

Below is information on related party transactions, of which all were at the going market rate. Subsequent to the most recent closing date for which financial statements have been published, no related party transactions have occurred.

**Remuneration to key employees**

Remuneration to key employees is described in Note 6.

**Options plan**

The options plan for key employees is described in Note 23.

**Loans**

Green Landscaping has not entered into any related party transactions for significant amounts during the period covered by the financial information in this report and up until the date of publication for this report.

**NOTE 34 Other current liabilities**

Other current liabilities	2020-12-31	2019-12-31
VAT receivable	52.0	26.4
Other taxes and social security contributions	32.1	11.4
Additional consideration	5.5	0.0
Other current liabilities	29.1	2.4
<b>Total</b>	<b>118.6</b>	<b>40.2</b>

Other current liabilities as of 2020-12-31 consist of the EU grant received for SEK 25.5 million. The Parent Company is serving as the coordinating grant recipient and the received grant will be transferred to other external partners.

**NOTE 35 Specification, cash flow****RECONCILIATION OF ITEMS INCLUDED IN FINANCING ACTIVITIES**

	Liabilities to credit institutions	Leasing	Total
<b>Opening balance 2019-01-01</b>	<b>506.6</b>	<b>112.7</b>	<b>619.3</b>
New loans	27.8	0.0	27.8
Loan amortization	-55.0	-87.0	-142.0
Not impacting cash flow	3.6	206.8	210.4
Acquisitions	-	-	-
<b>Closing balance 2019-12-31</b>	<b>483.0</b>	<b>232.5</b>	<b>715.5</b>
<b>Opening balance 2020-01-01</b>	<b>483.0</b>	<b>232.5</b>	<b>715.5</b>
New loans	367.7	0.0	367.6
Loan amortization	-147.0	-76.7	-223.7
Not impacting cash flow	-1.5	29.6	28.1
<b>Closing balance 2020-12-31</b>	<b>702.1</b>	<b>185.4</b>	<b>887.5</b>

**NOTE 36 Significant events after closing date**

During the first quarter of 2021, Green Landscaping Group acquired 100 percent of the shares in Akershusgartneren AS, a company that works with landscaping in Oslo. The company has approximately 80 employees and annual sales of just over NOK 200 million. The purchase price amounts to SEK 142.9 million. There is no additional purchase price. A preliminary acquisition analyses was made at the time when this report was issued, with a resulting goodwill of SEK 89.8 million.

During the first quarter of 2021, Green Landscaping Group also signed a new acquisition facility of SEK 300 million.

**Covid-19**

It is still difficult to assess the market due to the ongoing pandemic. During the first quarter of 2021, we have noticed that customers are still somewhat hesitant and working remotely, which has delayed project orders. Our capacity and efficiency is negatively impacted by not being able to meet in person, as we would like. It is difficult to assess the effect of a possible third wave of Covid-19 and we are continuing to maintain a high level of preparedness.



# Notes – Parent Company

## NOTE M1 Net sales

The Parent Company's net sales consist of services performed for the subsidiaries in Sweden.

## NOTE M2 Employees and employee benefit expenses

### AVERAGE NUMBER OF EMPLOYEES

SEK m	2020		2019	
	Number of employees	Of which men	Number of employees	Of which men
Parent Company	5.0	40%	5.0	60%
<b>Total</b>	<b>5.0</b>	<b>40%</b>	<b>5.0</b>	<b>60%</b>

The information pertains to circumstances as of the closing date.

### SALARIES AND OTHER REMUNERATION

SEK m	2020	2019
Board and CEO	3.7	2.6
Of which bonuses	0.5	0.4
Other employees	3.5	5.2
<b>Total</b>	<b>7.1</b>	<b>7.8</b>

### SOCIAL SECURITY EXPENSES

SEK m	2020	2019
Salaries and other remuneration	7.1	7.8
Pension expenses for the Board and CEO	0.9	0.7
Pension expenses, other employees	0.7	1.1
Other social security expenses	2.3	2.4
<b>Total</b>	<b>11.1</b>	<b>12.0</b>

### PENSION OBLIGATIONS

SEK m	2020	2019
Board and CEO	0.0	0.0

For more information on decision processes for remuneration and terms of employment for senior executives, please see Note 6.

## NOTE M3 Remuneration to the auditors

Fees to auditors	2020	2019
Ernst & Young		
Audit assignment	1.4	1.0
Other audit activities	–	–
Tax advice	0.0	0.0
Other services	0.8	0.2
<b>Total</b>	<b>2.2</b>	<b>1.2</b>

Audit refers to the statutory audit of the annual report and accounts, along with the Board's and CEO management. It also includes other audit and review tasks that have been performed as agreed. It includes other work that the company's auditor deems necessary, advice and other assistance resulting from observations made during the audit or execution of other such tasks.

Tax advice pertains to tax services. Other services pertains to all other significant advice in audit-related areas such as other assurance, reporting and assistance with reviews in conjunction with acquisitions.

## NOTE M4 Financial income/expenses

### FINANCIAL INCOME

	2020	2019
Interest income from Group companies	3.8	3.3
Dividends	–	8.0
Other financial income	–	4.0
<b>Total</b>	<b>3.8</b>	<b>15.3</b>

### FINANCIAL EXPENSES

	2020	2019
Interest expenses to Group companies	-0.1	-0.1
Other interest expenses	-14.2	-11.5
Other financial expenses	-1.9	-0.8
<b>Total</b>	<b>-16.2</b>	<b>-12.4</b>

## NOTE M5 Tax

### TAX ON PROFIT FOR THE YEAR

	2020	2019
Current tax	-0.2	-3.2
Adjustment pertaining to prior years	-0.1	–
Change in deferred tax asset	–	-4.4
Change in deferred tax liability	–	–
<b>Total</b>	<b>-0.3</b>	<b>-7.6</b>

### PROFIT (LOSS) BEFORE TAX

	2020	2019
<b>Profit (loss) before tax</b>	<b>0.2</b>	<b>25.3</b>
Tax on profit for the year according to the applicable tax rate (21.4% / 22%):	0.0	-5.4
Tax effect of:		
Other non-deductible expenses	-2.2	-0.4
Other deductible items	1.5	–
Non-taxable revenue	0.5	2.6
Unrecognized loss carryforward	–	–
Other adjustments	-0.1	–
Reversal of loss carryforward	–	-4.4
Reported tax	<b>-0.3</b>	<b>-7.6</b>

**NOTE M5 Tax, cont.****Deferred tax assets and tax liabilities**

Changes in deferred tax assets and tax liabilities are presented in the tables below. Deferred tax assets for unutilized tax loss carryforwards are reported to the extent that it is probable that they can be offset against future taxable profits.

**DEFERRED TAX ASSET, PARENT COMPANY**

	Unutilized Loss carry- forward	Temporary differ- ences	Total
Opening balance 1 January 2019	8.6	–	8.6
Recognized in the income statement	-4.4	–	-4.4
Recognized in other comprehensive income	–	–	–
<b>As of 31 December 2019</b>	<b>4.2</b>	<b>0.0</b>	<b>4.2</b>
Opening balance 1 January 2020	4.2	–	4.2
Recognized in the income statement	–	–	–
Recognized in other comprehensive income	–	–	–
<b>As of 31 December 2020</b>	<b>4.2</b>	<b>0.0</b>	<b>4.2</b>

**NOTE M6 Shares in subsidiaries****SHARES IN SUBSIDIARIES**

	2020-12-31	2019-12-31
Opening cost	656.2	617.6
Acquired companies	549.1	42.6
Value adjustment	-6.4	-4.0
Closing cost	<b>1198.9</b>	<b>656.2</b>
<b>Closing carrying amount</b>	<b>1198.9</b>	<b>656.2</b>

The Parent Company's holdings in subsidiaries consists of the subsidiaries presented in table of Note 11, holdings of the Group.

**NOTE M7 Intangible assets**

	Software	TOTAL
<b>Financial year 2019</b>		
Opening cost	0.7	0.7
Acquisitions for the year	0.2	0.2
Closing accumulated cost	0.9	0.9
Opening amortization	-0.2	-0.2
Depreciation for the year	-0.1	-0.1
Closing accumulated amortization	-0.3	-0.3
<b>Closing carrying amount 2019</b>	<b>0.6</b>	<b>0.6</b>
<b>Financial year 2020</b>		
Opening cost	0.9	0.9
Acquisitions for the year	0.1	0.1
Closing accumulated cost	1.0	1.0
Opening amortization	-0.3	-0.3
Depreciation for the year	-0.2	-0.2
Closing accumulated amortization	-0.5	-0.5
<b>Closing carrying amount 2020</b>	<b>0.5</b>	<b>0.5</b>

**NOTE M8 Financial assets and liabilities**

All financial instruments reported in the balance sheet have been classified in different measurement categories. Measurement of financial instruments is based on this classification.

Fair value does not deviate significantly from nominal value, which means that amortized cost is approximately the same as fair value.

Because of their short duration, accounts receivable and other similar receivables have been measured at the nominal amount. In the financial statements, earned (but not yet invoiced) revenue and accrued revenue are reported as contract assets in the financial statements.

Likewise, and also because of their short duration, accounts payable, bank overdraft and other current claims have also been measured at the nominal amount. The table below shows the fair values compared to the carrying amounts for other financial liabilities.

For the Group's interest-bearing loans, fair value has been calculated using the effective interest method. The present value of additional consideration has been calculated, with consideration also given to the expected outcome, which is reported in profit or loss.

**Financial assets**

Green Landscaping Group has the following financial assets, all of which have been classified and measured at amortized cost: The Group only classifies its financial assets as assets measured at amortized cost when the following conditions have been met:

- The asset is included in a business model, where the goal is to collect contractual cash flows and
- The contractual terms give rise to, at specific times, cash flows that only consist of principle and interest on the outstanding amount of capital.

Because of their short duration, accounts receivable and other similar receivables have been measured at the nominal amount.

**FINANCIAL ASSETS**

	Parent Company 2020-12-31		Parent Company 2019-12-31	
	Carrying amount	Fair value	Carrying amount	Fair value
Accounts receivable	0.0	0.0	0.0	0.0
Cash and cash equivalents	35.0	35.0	0.0	0.0
<b>Total</b>	<b>35.0</b>	<b>35.0</b>	<b>0.0</b>	<b>0.0</b>

**Financial liabilities**

Green Landscaping Group has the following financial liabilities, all of which have been classified and measured at amortized cost or fair value:

**FINANCIAL LIABILITIES**

	2020-12-31		2019-12-31	
	Carrying amount	Fair value	Carrying amount	Fair value
Accounts payable - trade	3.3	3.3	2.8	2.8
Liabilities to credit institutions (non-current and current)	658.2	658.2	472.3	472.3
Additional consideration (non-current and current)	96.7	96.7	11.2	11.2
<b>Total</b>	<b>758.2</b>	<b>758.2</b>	<b>486.3</b>	<b>486.3</b>

The financial liabilities have the following maturities:

	2020-12-31	< 3 months	3-12 months	1-5 years	> 5 years	Total
Accounts payable - trade	3.3	3.3	-	-	-	3.3
Liabilities to credit institutions (non-current and current)	658.2	-	81.3	325.2	251.8	658.2
Additional consideration (non-current and current)	96.7	-	5.5	91.2	-	96.7
<b>Total</b>	<b>758.2</b>	<b>3.3</b>	<b>86.8</b>	<b>416.4</b>	<b>251.8</b>	<b>758.2</b>

	2019-12-31	< 3 months	3-12 months	1-5 years	> 5 years	Total
Accounts payable - trade	2.8	2.8	-	-	-	2.8
Liabilities to credit institutions (non-current and current)	472.3	12.5	37.5	252.3	170.0	472.3
<b>Total</b>	<b>475.1</b>	<b>15.3</b>	<b>37.5</b>	<b>252.3</b>	<b>170.0</b>	<b>475.1</b>

See also Note 31 for information on the Group's bank overdraft.



**NOTE M8 Financial assets and liabilities, cont.****Risks****Market risk**

Market risk is a risk that the fair value of future payments will fluctuate due to changes in the market. Market risk is typically comprised of interest rate risk, currency risk and other price risks.

For Green Landscaping Group, interest rate risk is the most significant of these and a sensitivity analysis has been conducted. This analysis shows the risk associated with financial liabilities as of 2020- 12-31.

**SENSITIVITY ANALYSIS, FINANCIAL LIABILITIES**

	2020-12-31	2019-12-31
Total liabilities to credit institutions	658.2	470.0
Increase in interest rates by 1.0%	6.6	4.7
Decrease in interest rates by 1.0%	-6.6	-4.7

**Credit risk**

Credit risk is the risk that a counterparty will not be able to fulfill its contractual obligations, which leads to a credit loss. The Group is exposed to credit risk via its operating activities, particularly as regards accounts receivable and contract assets. There is also risk associated with financing activities attributable to cash balances at credit institutions.

**Liquidity risk**

The Group works with liquidity planning on a continual basis and it monitors payment flows to ensure that it has the necessary amount of cash on hand.

**Refinancing risk**

Refinancing risk is the risk that financing cannot be obtained or renewed upon maturity, or that it can only be obtained or renewed at a significantly higher cost. The company primarily finances its operations through equity, borrowings and the Group's own cash flows. If the company fails to obtain the necessary financing in the future, or if financing can only be obtained on terms that are much more disadvantageous to the company, it could have a negative impact on the company's operations, financial position and earnings. The Group has guidelines in place for its refinancing activities and it maintains a constant dialog with its creditors to ensure that refinancing is ensured over the long term, and in a sustainable way.

**CHANGES ATTRIBUTABLE TO FINANCING ACTIVITIES.**

	2020-01-01	Cash flow	Reclassification	Change in fair value	Other	2020-12-31
Additional consideration	11.2	-4.9	–	–	90.4	96.7

	2019-01-01	Cash flow	Reclassification	Change in fair value	Other	2019-12-31
Additional consideration	20.2	-7.3	–	–	-1.7	11.2

**NOTE M9 Prepaid expenses and accrued income****PREPAID EXPENSES AND ACCRUED INCOME**

	2020-12-31	2019-12-31
Accrued interest income	0.0	2.5
Prepaid insurance premiums	0.5	0.0
Other prepaid expenses	1.5	0.4
<b>Total</b>	<b>2.0</b>	<b>2.9</b>

**NOTE M10 Cash and cash equivalents****CASH AND CASH EQUIVALENTS**

	2020-12-31	2019-12-31
Cash on hand	35.0	0.0
<b>Total</b>	<b>35.0</b>	<b>0.0</b>

For more information on bank overdraft, please see Note 31.

**NOTE M11 Share capital and other contributed capital****Share capital**

The Parent Company's share capital consists solely of fully paid ordinary shares at a nominal value (quotient value) of SEK 0.071/share. The company has 47,726,987 Class A shares that are ordinary shares.

**Options plan**

The company has three incentive programs for key employees of the Group.

The first incentive program was set up in 2018. With full utilization of the company's incentive programs, a total of at most 1,794,832 shares will be issued (after the rights issue), which will have a maximum dilutive effect of approximately 3.7 percent of share capital. The subscription price for shares that are subscribed to via the warrants is SEK 25.45 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 1.53. Subscription of shares may occur during the period 23 March 2021 through 23 June 2021. With full utilization of the warrants, the company's share capital will increase by SEK 127,433.

The second incentive program was set up in 2019. With full utilization of the program, a total of 783,290 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 1.7 percent. The subscription price for shares that are subscribed to via the warrants is SEK 37.94 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 5.19. Subscription of shares may occur during the period 16 March 2022 through 7 June 2022. With full utilization of the warrants, the company's share capital will increase by SEK 55,614.

The third incentive program was set up in 2020. With full utilization of the program, a total of 595,515 shares will be issued (after the rights issue), which would have a maximum dilutive effect of approximately 1.3 percent. The subscription price for shares that are subscribed to via the warrants is SEK 27.87 per share. The premium per warrant, which has been calculated in accordance with the Black & Scholes model amounted to SEK 2.70. Subscription of shares may occur during the period 22 March 2023 through 16 June 2023. With full utilization of the warrants, the company's share capital will increase by SEK 42,282.

**NOTE M12 Non-current liabilities****NON-CURRENT LIABILITIES**

	2020-12-31	2019-12-31
Liabilities to credit institutions maturing between 1 and 5 years	321.7	250.0
Liabilities to credit institutions maturing in more than 5 years	255.3	170.0
Other liabilities to Group companies maturing between 1 and 5 years	0.0	1.0
Other non-current liabilities maturing between 1 and 5 years	91.2	2.3
<b>Total</b>	<b>668.2</b>	<b>423.3</b>

Other liabilities presented in the note above consist of the additional consideration that is due to be paid in more than one year.

**NOTE M13 Accrued expenses and deferred income****ACCRUED EXPENSES AND DEFERRED INCOME**

	2020-12-31	2019-12-31
Accrued vacation pay	0.5	0.4
Accrued social security contributions	0.4	0.3
Accrued interest expenses	0.5	0.3
Variable additional consideration	0.0	11.3
Other accrued expenses	0.9	1.5
<b>Total</b>	<b>2.3</b>	<b>13.8</b>

As of 2020, additional consideration is classified as other liabilities, both current and non-current.

**NOTE M14 Pledged assets and contingent liabilities****Pledged assets**

The Parent Company has the following pledged assets for own liabilities to credit institutions

**PLEDGED ASSETS**

	2020-12-31	2019-12-31
Shares in Group companies	–	–
<b>Total</b>	<b>0</b>	<b>0</b>

**NOTE M15 Current liabilities****CURRENT LIABILITIES**

	2020-12-31	2019-12-31
Accounts payable - trade	3.3	2.8
<b>Total</b>	<b>3.3</b>	<b>2.8</b>

All accounts payable are in SEK and payment terms are typically 30 days.

**BANK OVERDRAFT**

	2020-12-31	2019-12-31
Granted credit	50.0	50.0
Utilized credit	0.0	0.0

See also Note 22 for information on the Group's cash and cash equivalents.

**NOTE M16 Specification, cash flow****RECONCILIATION OF ITEMS INCLUDED IN FINANCING ACTIVITIES**

	Liabilities to credit institutions	Intra-Group loans	Total
<b>Opening balance 2019-01-01</b>	<b>480.8</b>	<b>40.7</b>	<b>521.5</b>
New loans	25.0	–	25.0
Loan amortization	-50.0	–	-50
Change in bank overdraft	13.1	–	13.1
Not impacting cash flow	1.1	-39.7	-38.6
<b>Closing balance 2019-12-31</b>	<b>470.0</b>	<b>1.0</b>	<b>471.0</b>
<b>Opening balance 2020-01-01</b>	<b>470.0</b>	<b>1.0</b>	<b>471.0</b>
New loans	334.7	–	334.7
Loan amortization	-145.9	–	-145.9
Not impacting cash flow	-0.6	-1.0	-1.6
<b>Closing balance 2020-12-31</b>	<b>658.2</b>	<b>0.0</b>	<b>658.2</b>

**NOTE M17 Transactions with related parties**

Below is information on related party transactions, of which all were at the going market rate. Subsequent to the most recent closing date for which financial statements have been published, no related party transactions have occurred.

**Remuneration to key employees**

Remuneration to key employees is described in Note 6.

**Options plan**

The options plan for key employees is described in Note 23.

**Loans**

In addition to the transactions specified above, Green Landscaping has not entered into any related party transactions for significant amounts during the period covered by the financial information in this report and up until the date of publication for this report.

**NOTE M18 Purchases and sales between Group companies****Sales and purchase from subsidiaries**

For the Parent Company, SEK 25.3 (24.9) million, corresponding to 99.6 percent (100) of the year's sales and SEK 1.4 (1.2) million corresponding to 10.2 (5.1) percent of the year's purchases were transactions with subsidiaries of the Group.

Pricing of the purchased goods and services to related companies was at the going market rate.

As of 31 December 2020, the Parent Company's receivables from subsidiaries amounted to SEK 143.6 (223.8) million and liabilities to subsidiaries amounted to SEK 58.7 (90.5) million. Transactions with related parties have been priced at the going market rate.

Credit losses on receivables from Group companies have thus far never occurred and future credit losses are expected to be insignificant.

**NOTE M19 Leasing****Operating leases as lessor**

The Parent Company has entered into operating leases for such things as office machines, other equipment and vehicles. The duration of these leases is 3-5 years.

**OPERATING LEASES**

	2019	2018
Expensed lease fees for operating leases	1.0	0.6
Future minimum lease payments for non-cancellable operating leases		
To be paid within 1 year	0.9	0.9
To be paid within 1-5 years	0.7	1.5
To be paid in more than 5 years	-	-
<b>Total</b>	<b>1.5</b>	<b>2.4</b>

**NOTE M20 Other current liabilities****OTHER CURRENT LIABILITIES**

	2020-12-31	2019-12-31
VAT receivable	-0.2	0.2
Other taxes and social security contributions	0.3	0.3
Additional consideration	5.5	0.0
Other current liabilities	25.6	0.1
<b>Total</b>	<b>31.1</b>	<b>0.5</b>

Other current liabilities as of 2020-12-31 consist of the EU grant received for SEK 25.5 million. The Parent Company is serving as the coordinating grant recipient and the received grant will be transferred to other external partners.

**NOTE M21 Appropriation of profit or loss**

The following funds are at the disposal of the Parent Company:

**FUNDS AS THE DISPOSAL OF THE PARENT COMPANY (SEK)**

Share premium reserve	626506189
Retained earnings	-93741742
Profit (loss) for the year	-103285
<b>Total</b>	<b>532661162</b>

The Board proposes that profit or loss is appropriated in the following way

Transferred to retained earnings	532661162
<b>Total</b>	<b>532661162</b>



## Approval of the financial statements

The consolidated financial statements for the reporting period that ended on 31 December 2020 (including comparison figures) was approved by the Board on 14 April 2021.

### Board's affirmation

The Board of Directors and the CEO affirm that the consolidated financial statements and the annual report have been prepared in accordance with IFRS and generally accepted accounting principles, respectively and that they gives a true and fair view of the Group and the Parent Company's position and results.

The Directors' report for the Group and Parent Company provides a true and fair overview of the Group's and Parent Company's operations, financial position and results and also describes material risks and uncertainties faced by the Parent Company and the companies that comprise the Group.

The Group and the Parent Company's results and financial position in other respects are shown in the income statement and balance sheet, cash flow statements and notes contained in this report.

**Stockholm, 14 April 2021**

**Per Sjöstrand**

Chairman of the Board

**Tomas Bergström**

Director

**Åsa Källenius**

Director

**Johan Nordström**

CEO and Director

**Staffan Salén**

Director

**Monica Trolle**

Director

Our audit report was issued as of the day stated by our electronic signature

Ernst & Young AB

**Charlotte Holmstrand**

Authorized Public Accountant



# Revisionsberättelse

Till bolagsstämman i Green Landscaping Group AB (publ), org nr 556771-3465

## Rapport om årsredovisningen och koncernredovisningen

### Uttalanden

Vi har utfört en revision av årsredovisningen och koncernredovisningen för Green Landscaping Group AB (publ) för år 2020 med undantag för bolagsstyrningsrapporten på sidorna 53-63. Bolagets årsredovisning och koncernredovisning ingår på sidorna 66-106 i detta dokument.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av moderbolagets finansiella ställning per den 31 december 2020 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Koncernredovisningen har upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av koncernens finansiella ställning per den 31 december 2020 och av dess finansiella resultat och kassaflöde för året enligt International Financial Reporting Standards (IFRS), så som de antagits av EU, och årsredovisningslagen. Våra uttalanden omfattar inte bolagsstyrningsrapporten på sidorna 53-63. Förvaltningsberättelsen är förenlig med årsredovisningens och koncernredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för moderbolaget och koncernen.

Våra uttalanden i denna rapport om årsredovisningen och koncernredovisningen är förenliga med innehållet i den kompletterande rapport som har överlämnats till moderbolagets revisionsutskott i enlighet med Revisorsförordningens (537/2014) artikel 11.

### Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav. Detta innefattar att, baserat på vår bästa kunskap och övertygelse, inga förbjudna tjänster som avses i Revisorsförordningens (537/2014) artikel 5.1 har tillhandahållits det granskade bolaget eller, i förekommande fall, dess moderföretag eller dess kontrollerade företag inom EU.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Särskilt betydelsefulla områden

Särskilt betydelsefulla områden för revisionen är de områden som enligt vår professionella bedömning var de mest betydelsefulla för revisionen av årsredovisningen och koncernredovisningen för den aktuella perioden. Dessa områden behandlades inom ramen för revisionen av, och i vårt ställningstagande till, årsredovisningen och koncernredovisningen som helhet, men vi gör inga separata uttalanden om dessa områden. Beskrivningen nedan av hur revisionen genomfördes inom dessa områden ska läsas i detta sammanhang.

### Goodwill

Vi har fullgjort de skyldigheter som beskrivs i avsnittet *Revisorns ansvar* i vår rapport om årsredovisningen också inom dessa områden. Därmed genomfördes revisionsåtgärder som utformats för att beakta vår bedömning av risk för väsentliga fel i årsredovisningen och koncernredovisningen. Utfallet av vår granskning och de granskningsåtgärder som genomförts för att behandla de områden som framgår nedan utgör grunden för vår revisionsberättelse.

Beskrivning av området	Hur detta område beaktades i revisionen
<p>Värdet av goodwill uppgår per den 31 december 2020 till 748,3 MSEK. Nedskrivningsprövning är en komplex process och innehåller en hög grad av bedömning avseende framtida kassaflöden och andra antaganden.</p> <p>Koncernen utför vid indikation på värdenedgång och minst årligen en nedskrivningsprövning. När det bokförda värdet överstiger det beräknade återvinningsvärdet skrivs tillgången ned till återvinningsvärdet. Återvinningsvärdet för varje kassaflödesgenererande enhet fastställs såsom nyttjandevärdet, vilket beräknas utifrån det diskonterade nuvärdet av framtida kassaflöden. Centrala antaganden i dessa beräkningar utgör framtida tillväxt, marginaler samt tillämpad diskonteringsränta och framgår av not 16. Beräkningarna baserar sig på företagsledningens uppskattningar och bedömningar grundade på antaganden om enhetens framtida verksamhet, tillväxt och lönsamhet. Goodwill utgör ett för revisionen särskilt betydelsefullt område.</p>	<p>I vår revision har vi utvärderat och granskat viktiga uppskattningar och bedömningar, värderingsmetoder och beräkningsmodeller, diskonteringsränta (WACC - Weighted Average Cost of Capital) och annan källdata som används av bolaget. Detta genom att jämföra med förväntad inflation och bedömningar om framtida marknadstillväxt samt genom att bedöma känsligheten i bolagets värderingsmodell. Vi har särskilt fokuserat på känsligheten i beräkningarna och har gjort en bedömning om huruvida det föreligger en risk att händelseförlopp skulle ge upphov till en situation där återvinningsvärdet skulle understiga redovisade värden. I denna bedömning har vi även jämfört bolagets prognoser i tidigare nedskrivningsprövningar med de belopp som slutligen utfallit, för att bedöma bolagets historiska precision i sina uppskattningar och bedömningar. Våra interna värderingsexperten har bistått med erforderlig specialistkompetens vid utförande av ovanstående granskning. Vi har sedan slutligen granskat informationen i tilläggsupplysningarna som lämnats i not 12, not 14 och not 16.</p>

#### Intäkter från entreprenadavtal redovisade över tid

Beskrivning av området	Hur detta område beaktades i revisionen
<p>2020 års intäkter från entreprenaduppdrag uppgick till 2 112,9 MSEK. I allt väsentligt härrör intäkterna från entreprenadprojekt som redovisas över tid, d.v.s. med tillämpning av successiv vinstavräkning. Det innebär att redovisade intäkter och kostnader i entreprenadprojekt baseras på företagsledningens antaganden och bedömningar om framtida utfall i respektive projekts slutprognos. Prognoserna innehåller bedömningar av kostnader för arbetskraft, material, underentreprenörer och garantiåtaganden. Det ingår även bedömningar av kunden framförda krav för ändrings- och tilläggsarbeten. Intäkts- och resultatredovisningen ställer därför krav på ändamålsenliga processer för kalkylering, rapportering, analyser och prognoser.</p> <p>De aktuella beloppens storlek i kombination med betydande inslaget av uppskattningar och bedömningar innebär att detta utgör ett för revisionen särskilt betydelsefullt område.</p>	<p>Vår revisionsprocess inkluderar bland annat granskning av väsentliga avtal, innefattande bedömningar relaterade till resultatavräkning och allokering av kostnader. Vi har utvärderat principer, processer och rutiner för bestämmande av redovisade värden utifrån kalkylering, rapportering, analyser och prognoser och de antaganden på vilka dessa baseras. På stickprovsbasis har vi granskat gjorda beräkningar.</p> <p>Vi har utvärderat processer och rutiner för projektprognoser. Vi har genomfört granskning av koncernens principer för redovisning av intäkter för att verifiera efterlevnad av IFRS. Vi har utfört analytisk granskning av redovisade intäkter och marginaler och granskat företagsledningens uppföljning av projektens finansiella resultat. På stickprovsbasis har vi granskat intäkter och de redovisade projektkostnaderna som ligger till grund för bestämmande av färdigställandegraden. Vi har även testat den matematiska riktigheten i beräkningen av den successiva vinstavräkningen.</p> <p>Vi har bedömt träffsäkerheten i bolagets bedömningar mot det slutliga utfallet för tidigare projekt samt granskat informationen i tilläggsupplysningarna i not 5 Segmentinformation, not 20 Kundfordringar och avtalsstillgångar samt not 26 Avtalskulder.</p>

#### Annan information än årsredovisningen och koncernredovisningen

Detta dokument innehåller även annan information än årsredovisningen och koncernredovisningen och återfinns på sidorna 1-65 och 111-114. Det är styrelsen och verkställande direktören som har ansvaret för denna andra information.

Vårt uttalande avseende årsredovisningen och koncernredovisningen omfattar inte denna information och vi gör inget uttalande med bestyrkande avseende denna andra information.

I samband med vår revision av årsredovisningen och koncernredovisningen är det vårt ansvar att läsa den information som identifieras ovan och överväga om informationen i väsentlig utsträckning är oförenlig med årsredovisningen och

koncernredovisningen. Vid denna genomgång beaktar vi även den kunskap vi i övrigt inhämtat under revisionen samt bedömer om informationen i övrigt verkar innehålla väsentliga felaktigheter.

Om vi, baserat på det arbete som har utförts avseende denna information, drar slutsatsen att den andra informationen innehåller en väsentlig felaktighet, är vi skyldiga att rapportera detta. Vi har inget att rapportera i det avseendet.

#### Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen och koncernredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen och, vad gäller koncernredovisningen, enligt IFRS så som de antagits av EU. Styrelsen och verkställande direktören





ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning och koncernredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen och koncernredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Styrelsens revisionsutskott ska, utan att det påverkar styrelsens ansvar och uppgifter i övrigt, bland annat övervaka bolagets finansiella rapportering.

#### Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen och koncernredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen och koncernredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen och koncernredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risker för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande

direktörens uppskattningar i redovisningen och tillhörande upplysningar.

- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen och koncernredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen och koncernredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen och koncernredovisningen, däribland upplysningarna, och om årsredovisningen och koncernredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.
- inhämtar vi tillräckliga och ändamålsenliga revisionsbevis avseende den finansiella informationen för enheterna eller affärsaktiviteterna inom koncernen för att göra ett uttalande avseende koncernredovisningen. Vi ansvarar för styrning, övervakning och utförande av koncernrevisionen. Vi är ensamt ansvariga för våra uttalanden.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Vi måste också förse styrelsen med ett uttalande om att vi har följt relevanta yrkesetiska krav avseende oberoende, och ta upp alla relationer och andra förhållanden som rimligen kan påverka vårt oberoende, samt i tillämpliga fall åtgärder som har vidtagits för att eliminera hoten eller motåtgärder som har vidtagits.

Av de områden som kommuniceras med styrelsen fastställer vi vilka av dessa områden som varit de mest betydelsefulla för revisionen av årsredovisningen och koncernredovisningen, inklusive de viktigaste bedömda riskerna för väsentliga felaktigheter, och som därför utgör de för revisionen särskilt betydelsefulla områdena. Vi beskriver dessa områden i revisionsberättelsen såvida inte lagar eller andra författningar förhindrar upplysning om frågan.

## Rapport om andra krav enligt lagar och andra författningar

#### Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning av Green Landscaping Group AB (publ) för år 2020 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens

ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

#### Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.



Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

#### **Styrelsens och verkställande direktörens ansvar**

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets och koncernens verksamhetsart, omfattning och risker ställer på storleken av moderbolagets och koncernens egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets och koncernens ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

#### **Revisorns ansvar**

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- ▶ företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- ▶ på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

#### **Revisorns granskning av bolagsstyrningsrapporten**

Det är styrelsen som har ansvaret för bolagsstyrningsrapporten på sidorna 53-63 och för att den är upprättad i enlighet med årsredovisningslagen.

Vår granskning har skett enligt FARs rekommendation RevR 16 *Revisorns granskning av bolagsstyrningsrapporten*. Detta innebär att vår granskning av bolagsstyrningsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för våra uttalanden.

En bolagsstyrningsrapport har upprättats. Upplýsningar i enlighet med 6 kap. 6 § andra stycket punkterna 2-6 årsredovisningslagen samt 7 kap. 31 § andra stycket samma lag är förenliga med årsredovisningens och koncernredovisningens övriga delar samt i överensstämmelse med årsredovisningslagen.

Ernst & Young AB utsågs till Green Landscaping Group AB (publ):s revisor av bolagsstämman den 14 maj 2020 och har varit bolagets revisor sedan 10 mars 2009.

Stockholm den dag som framgår av vår elektroniska underskrift

Ernst & Young AB

Charlotte Holmstrand

Auktoriserad revisor

## Key performance indicators

	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Sales, SEK m	656.1	551.5	552.1	375.1	507.0	492.0	532.3	461.2
Adjusted EBITA, SEK m	33.3	40.0	46.5	-18.7	25.2	28.8	34.9	1.3
Adjusted EBITA margin, %	5.1	7.3	8.4	-5.0	5.0	5.9	6.7	0.3
Working capital, SEK m	-36.6	20.5	-5.3	-4.7	70.2	55.9	22.8	23.2
Nonrecurring items, SEK m	0.0	0.0	0.0	0.0	10.1	0.0	8.7	14.1
Equity, SEK m	468.4	419.3	384.7	210.4	219.3	220.2	195.5	180.9
Interest-bearing net debt, SEK m	-796.5	-707.1	-518.5	-719.7	-690.3	-665.6	-652.9	-663.2
Average no. of employees	1357	1246	1331	1013	1245	1156	1233	965

### Reconciliation of KPIs not defined in accordance with IFRS

The company presents certain financial measures in its interim report that are not defined in accordance with IFRS. The company feels that these measures provide valuable, supplementary information to investors and company management. Accordingly, the measures should be regarded as a supplement, rather than a replacement for measures defined in accordance with IFRS. Because Green Landscaping's definitions of these measures might differ from other companies' definitions of the same concepts, an explanation of how they are calculated is provided below. For more information on the purpose of each measure, please see "Definitions and explanations" at the end of this report.

	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
EBITA								
Operating profit (loss)	19.0	30.0	36.6	-27.1	7.3	21.2	20.6	-20.4
Amortization and impairment of intangible assets	14.3	10.0	9.9	8.4	7.8	7.6	5.6	7.6
<b>Total EBITA</b>	<b>33.3</b>	<b>40.0</b>	<b>46.5</b>	<b>-18.7</b>	<b>15.1</b>	<b>28.8</b>	<b>26.2</b>	<b>-12.8</b>

	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Adjusted EBITA								
EBITA	33.3	40.0	46.5	-18.7	15.1	28.8	26.2	-12.8
Nonrecurring items	0.0	0.0	0.0	0.0	10.1	0.0	8.7	14.1
<b>Total Adjusted EBITA</b>	<b>33.3</b>	<b>40.0</b>	<b>46.5</b>	<b>-18.7</b>	<b>25.2</b>	<b>28.8</b>	<b>34.9</b>	<b>1.3</b>

Adjusted EBITA margin is calculated as Adjusted EBITA in relation to sales.



	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Working capital								
Inventories	27.7	27.2	29.2	25.6	26.4	29.3	33.4	37.0
Contract assets	71.5	134.8	90.0	66.7	70.7	99.3	70.2	55.5
Current receivables	433.3	344.4	322.9	295.4	346.9	302.1	315.7	340.3
Accounts payable - trade	-172.9	-129.5	-125.6	-121.0	-161.2	-140.4	-134.7	-156.1
Other liabilities and non-current interest-bearing liabilities	-224.8	-143.2	-86.8	-78.2	-53.9	-42.7	-42.1	-46.3
Contract liabilities	-28.9	-62.9	-72.6	-64.4	-22.1	-43.4	-61.3	-79.0
Accrued expenses	-142.5	-150.3	-162.4	-128.8	-136.6	-148.3	-158.4	-128.2
<b>Total working capital</b>	<b>-36.6</b>	<b>20.5</b>	<b>-5.3</b>	<b>-4.7</b>	<b>70.2</b>	<b>55.9</b>	<b>22.8</b>	<b>23.2</b>

	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net debt								
Bank overdraft	-4.5	0.0	0.0	-2.4	-19.3	-1.5	0.0	-31.2
Liabilities to credit institutions (non-current)	-567.8	-512.1	-396.6	-500.5	-429.5	-435.8	-426.3	-442.8
Liabilities from finance leases (non-current and current)	-185.4	-180.7	-191.6	-204.1	-232.5	-223.4	-241.4	-228.3
Liabilities to credit institutions (current)	-134.3	-93.8	-55.1	-53.2	-53.5	-53.9	-53.9	-53.6
Cash and cash equivalents	95.5	79.7	124.8	40.5	44.5	49.0	68.7	92.7
<b>Total Net debt</b>	<b>-796.5</b>	<b>-707.1</b>	<b>-518.5</b>	<b>-719.7</b>	<b>-690.3</b>	<b>-665.6</b>	<b>-652.9</b>	<b>-663.2</b>

	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Adjusted EBITA								
Adjusted EBITA for the quarter	33.3	40.0	46.5	-18.7	25.2	28.8	34.9	1.3
Total, last 4 quarters	101.1	93.0	81.8	70.2	90.1	88.0	73.6	65.0
<b>Total Adjusted EBITA RTM</b>	<b>101.1</b>	<b>93.0</b>	<b>81.8</b>	<b>70.2</b>	<b>90.1</b>	<b>88.0</b>	<b>73.6</b>	<b>65.0</b>

	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Adjusted earnings per share								
Profit (loss) for the period	19.2	19.1	30.6	-31.5	1.7	16.5	14.4	-25.5
Nonrecurring items (NRI)	0.0	0.0	0.0	0.0	10.1	0.0	8.7	14.1
Adjusted earnings	19.2	19.1	30.6	-31.5	11.8	16.5	23.1	-11.4
Average number of shares	47259360	46212770	37171595	36431957	36,011,057	35958429	35849663	35849663
<b>Adjusted earnings per share, SEK</b>	<b>0.41</b>	<b>0.41</b>	<b>0.82</b>	<b>-0.86</b>	<b>0.33</b>	<b>0.46</b>	<b>0.65</b>	<b>-0.32</b>

# Definitions

<b>General</b>	All amounts shown in tables are in SEK million, unless otherwise stated. All values in parentheses () are comparison figures for the same period last year, unless otherwise stated.	
Key performance indicators	Definition/calculation	Purpose
EBITA	Operating profit (loss) before depreciation, amortization and impairment of property, plant and equipment and intangible assets	EBITA is used to gauge the company's operating profitability.
EBITDA	Operating profit (loss) before amortization and impairment of acquisition-related intangible assets along with depreciation, amortization and impairment of property, plant and equipment and intangible assets.	EBITDA and EBITA are used together to gauge the company's operating profitability.
EBITA margin	Operating profit (loss) before depreciation, amortization and impairment of acquisition-related intangible assets as a percentage of sales.	EBITA margin is a measure of operating profitability.
EBT	Earnings before tax.	Earnings before tax provides an overall indication of the profit that was generated before tax.
Nonrecurring items	Items that significantly deviate from ordinary business activities and which are limited to a single time (one-off). Examples are the listing on Nasdaq First North in March 2018 and termination of lease agreements in conjunction with acquisitions.	It provides a truer view of the underlying earnings.
Adjusted EBITA	EBITA adjusted for nonrecurring items.	Adjusted EBITA increases the comparability of EBITA.
Adjusted EBITDA pro forma	EBITDA adjusted for nonrecurring items including EBITDA of acquired companies for the current year prior to the acquisition date.	It provides an indication of the Group's position in future periods.
Adjusted EBITA margin	EBITA adjusted for nonrecurring items, as a percentage of sales.	Adjusted EBITA margin excluding the effect of nonrecurring items, which makes it possible to compare the underlying operating profitability.
Order backlog	This is the amount of contracts not yet delivered and potential add-on years.	It provides an indication of the company's future performance.
Organic growth	Sales increase of legal entities owned for the entire financial year.	It shows how current operations are performing.
Working capital	Current assets not including cash and cash equivalents, less current liabilities.	Working capital is used to measure the company's ability to meet short-term capital requirements.
Net debt	Interest-bearing liabilities less cash and cash equivalents.	Net debt is an indication of the Company's financial position.
Net debt in relation to adjusted EBITDA	Net debt as a percentage of adjusted EBITDA.	Net debt in relation to adjusted EBITDA is reported for the purpose of revealing the level of financial risk. It is also a useful metric for monitoring the Company's debt/equity level.



---

Mäster Samuelsgatan 9  
111 44 Stockholm  
[info@glgroup.se](mailto:info@glgroup.se)