# Green Landscaping

Reason: Post-results comment

## On the wrong side of the weather again

- Q2: -9% org. sales growth, -4% adj. EBITA growth, weak cash flow
- '25e-'27e adj. EBITA up 0-1%; 7% CAGR '24-'27e
- 10-7x EBITA '25e-'27e, 10-17% FCF yields

### The mild winter still impacted

Green Landscaping (GLG) delivered a soft Q2 with sales 4% and 8% below ABGSCe/FactSet consensus. Organic sales were -9% (ABGSCe -2%, cons. -1%, Q1'25 -18%), as the mild winter caused low activity in April. Adj. EBITA fell 4% y-o-y, 13% below cons., as Sweden (5.6% margin) had a slow start, but margins held up relatively well y-o-y (-0.1pp), indicating margin expansion is on plan, which management says will have full effect at YE'25. Rest of Europe performed best (19.5%) with Finland as the main positive driver while Norway, like Sweden, had a slow start and a soft market weighing on margins. As the soft market remains, we expect 1-4% org. growth, improving margins and easier comps to drive 13% adj. EBITA growth in Q3, and 13-30% in Q4-Q1e. Cash flow was soft, yielding pro forma gearing of 2.9x. We think GLG's guidance of acquiring SEK 80m-100m in EBITA '25, usually at a ~10% margin, could potentially raise '26e-'27e EBITA by 20-50%.

### M&A to drive earnings

We slightly raise '25e-'27e adj. EBITA by 0-1%, mainly on adding announced M&A, and expect -5% org. sales growth in '25. Gradually, improving margins and M&A should support 3% adj. EBITA growth in '25e (5% '24) and a 7% CAGR '24-'27e. However, we continue to believe that GLG's M&A pipeline has the potential to support earnings growth above 10% p.a. over time (45% CAGR '19-'24).

### Good M&A pace, double-digit growth, higher margins

We still believe GLG is well-placed to grow organically over time and to further lift margins given its exposure to steadily growing markets and high exposure to public customers. M&A headroom also remains. For '24-'27e, we expect GLG to deliver sales- and profitability growth and FCF fairly in line with peers, while the share (10-7x EBITA '25e-'27e, 10-17% FCF yields) is trading slightly below peers on '25e-'27e EBITA.

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| SEKm | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|
| Sales | 5,831 | 6,353 | 6,381 | 6,820 | 7,097 |
| EBITDA | 739 | 801 | 857 | 950 | 998 |
| EBITDA margin (%) | 12.7 | 12.6 | 13.4 | 13.9 | 14.1 |
| EBIT adj. | 404 | 440 | 449 | 504 | 536 |
| EBIT adj. margin (%) | 6.9 | 6.9 | 7.0 | 7.4 | 7.5 |
| Pretax profit | 292 | 271 | 313 | 423 | 491 |
| EPS | 3.78 | 3.44 | 4.16 | 5.58 | 6.48 |
| EPS adj. | 5.45 | 5.09 | 5.81 | 7.32 | 8.22 |
| Sales growth (%) | 21.2 | 9.0 | 0.4 | 6.9 | 4.1 |
| EPS growth (%) | 11.2 | -9.1 | 20.8 | 34.2 | 16.1 |

*Source: ABG Sundal Collier, Company Data*

**Commissioned research**

**Not rated**

### Services

Estimate changes (%)

| | 2025e | 2026e | 2027e |
|---|---|---|---|
| Sales | 0.4 | 1.7 | 1.7 |
| EBIT | 1.4 | 1.9 | 1.6 |
| EPS | 0.5 | 2.2 | 1.8 |

*Source: ABG Sundal Collier*

### GREEN-SE/GREEN SS

| | | |
|---|---|---|
| **Share price (SEK)** | 18/7/2025 | 60.90 |
| Fair value range | | 56.0-95.0 |

| | |
|---|---|
| MCap (SEKm) | 3,453 |
| MCap (EURm) | 305 |
| No. of shares (m) | 56.7 |
| Free float (%) | 48.2 |
| Av. daily volume (k) | 10 |

**Next event** Q3 Report 23 October 2025

### Performance


| | 2025e | 2026e | 2027e |
|---|---|---|---|
| P/E (x) | 14.7 | 10.9 | 9.4 |
| P/E adj. (x) | 10.5 | 8.3 | 7.4 |
| P/BVPS (x) | 1.82 | 1.56 | 1.34 |
| EV/EBITDA (x) | 6.8 | 5.7 | 4.9 |
| EV/EBIT adj. (x) | 13.0 | 10.8 | 9.1 |
| EV/sales (x) | 0.92 | 0.80 | 0.69 |
| ROE adj. (%) | 20.2 | 21.8 | 20.8 |
| Dividend yield (%) | 0.0 | 0.0 | 0.0 |
| FCF yield (%) | 8.0 | 16.9 | 22.8 |
| Le. adj. FCF yld. (%) | 2.0 | 10.5 | 16.3 |
| Net IB debt/EBITDA (x) | 2.8 | 2.1 | 1.4 |
| Le. adj. ND/EBITDA (x) | 2.5 | 1.7 | 1.0 |

## Company description

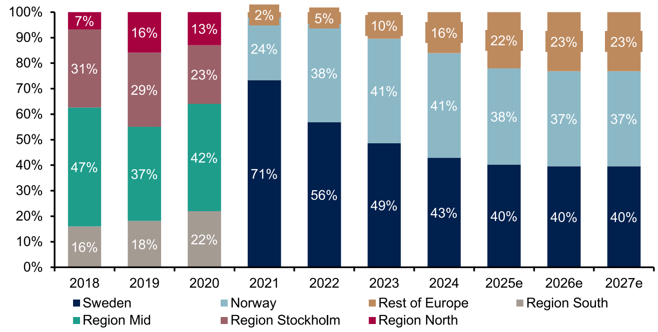
Green Landscaping Group is a Nordic company that has established itself, primarily through M&A, as a leading player (~5% market share) in the fragmented and steadily growing market for the landscaping and maintenance of outdoor environments. Most of the customers are city councils and local municipalities (i.e. government-backed). The contracts are often small (SEK 0.5m-5m), but generally last for 3-5 years. The business is divided into three segments: Sweden (43% of sales in '24), Norway (41%) and Rest of Europe (16%).

[Sustainability information]

## Risks

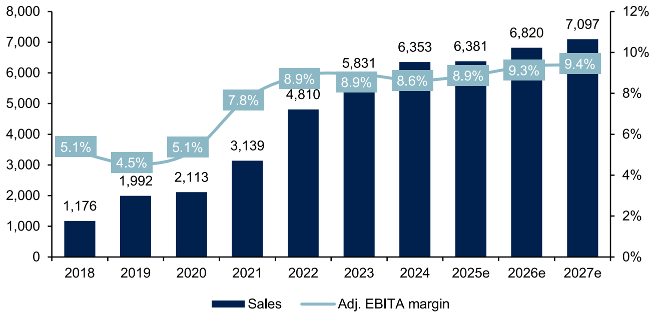
M&A execution, performance of acquired units post-acquisition, working capital discipline, contract/price calculations on undertaken projects, cost inflation, heightened competition on price in tender processes

### Sales split per region



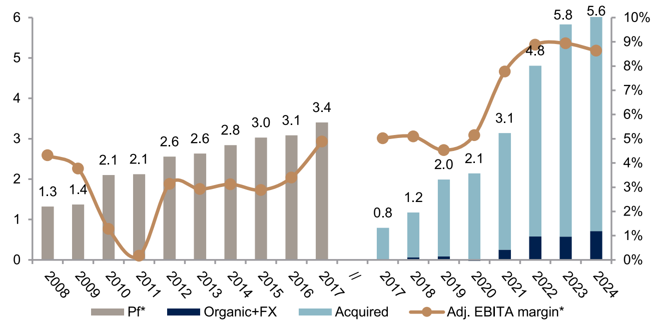

*Source: ABG Sundal Collier, company data*

### Group sales and adj. earnings*



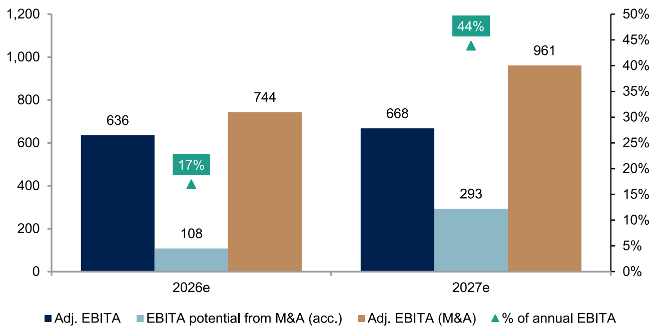

*Source: ABG Sundal Collier, company data, *ABGSCe adj. for acq and IPO cost*

### ABGSCe pf+historical sales and EBIT/A*



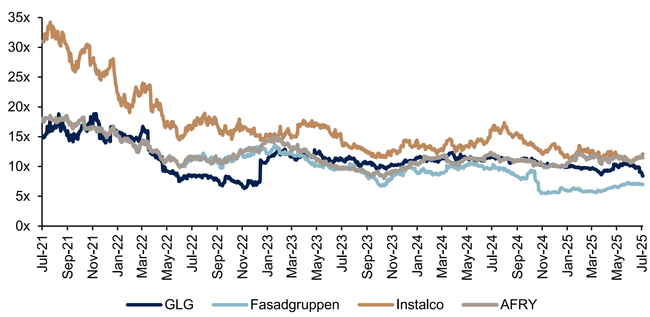

*Source: ABG Sundal Collier, company data, Valu8, *ABGSCe excl. IACs such as acq cost and IPO cost*

### Estimated M&A headroom to EBITA



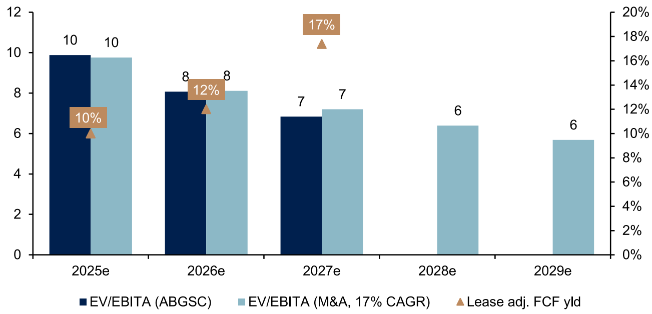

*Source: ABG Sundal Collier, company data*

### F12m EV/EBITA vs. peers




*Source: ABG Sundal Collier, FactSet*

### ABGSC M&A scenario valuation




*Source: ABG Sundal Collier, company data*

## Outcome vs. expectations

| Outcome table | LY | Actual | | ABGSCe | | Cons | | |
|---|---|---|---|---|---|---|---|---|
| **SEKm** | **Q2'24** | **Q2'25** | **y-o-y** | **Q2'25e** | **Dev** | **Q2'25e** | **Dev** | **Diff** |
| **Net sales** | **1,657** | **1,610** | **-3%** | **1,680** | **-4%** | **1,753** | **-8%** | **-4%** |
| **Adj. EBITA (ABGSCe)** | **150** | **145** | **-4%** | **162** | **-10%** | **167** | **-13%** | **-3%** |
| ABGSCe IAC (acq cost, etc) | -7 | 0 | | 0 | | 0 | | |
| **EBITA** | **143** | **145** | **1%** | **162** | **-10%** | **167** | **-13%** | **-3%** |
| PPA amortisation | -24 | -24 | | -33 | | -27 | | |
| **EBIT** | **119** | **121** | **2%** | **129** | **-6%** | **140** | **-14%** | **-8%** |
| Net financials | -40 | -36 | | -30 | | -36 | | |
| **PTP** | **79** | **85** | **7%** | **99** | **-14%** | **104** | **-18%** | **-5%** |
| Taxes | -21 | -19 | | -25 | | 26 | | |
| NCI, disc | 0 | | | 0 | | | | |
| **Net profit** | **59** | **65** | **11%** | **74** | **-12%** | **78** | **-17%** | **-5%** |
| **Growth and margins** | **Q2'24** | **Q2'25** | **y-o-y** | **Q2'25e** | **Dev** | **Q2'25e** | **Dev** | **Diff** |
| **Sales growth** | **11%** | **-3%** | | **1%** | | **6%** | | |
| Organic | 5% | -9% | | -2% | | -1% | | |
| FX | 0% | -2% | | -3% | | -3% | | |
| Structure | 6% | 8% | | 7% | | 9% | | |
| **Adj. EBITA growth** | **7%** | **-4%** | | **8%** | | **11%** | | |
| **Adj. EBITA margin** | **9.1%** | **9.0%** | **-0.1%** | **9.6%** | **-0.6%** | **9.5%** | **-0.5%** | **0.1%** |
| **EBITA margin** | **8.7%** | **9.0%** | **0.4%** | **9.6%** | **-0.6%** | **9.5%** | **-0.5%** | **0.1%** |
| EBIT margin | 7.2% | 7.5% | 0.3% | 7.7% | -0.2% | 8.0% | -0.5% | -0.3% |
| **Sales per segment** | **Q2'24** | **Q2'25** | **y-o-y** | **Q2'25e** | **Dev** | **Q2'25e** | **Dev** | **Diff** |
| Sweden | 707 | 644 | -9% | 714 | -10% | 703 | -8% | 2% |
| Norway | 683 | 636 | -7% | 598 | 6% | 650 | -2% | -8% |
| Rest of Europe | 268 | 333 | 24% | 368 | -9% | 393 | -15% | -6% |
| Central | -1 | -3 | | 0 | | 7 | | |
| **Group** | **1,657** | **1,610** | **-3%** | **1,680** | **-4%** | **1,753** | **-8%** | **-4%** |
| **EBITA per segment** | **Q2'24** | **Q2'25** | **y-o-y** | **Q2'25e** | **Dev** | **Q2'25e** | **Dev** | **Diff** |
| Sweden | 40 | 36 | -10% | 46 | -22% | 46 | -22% | 1% |
| Norway | 61 | 53 | -13% | 57 | -7% | 59 | -10% | -4% |
| Rest of Europe | 59 | 65 | 10% | 74 | -12% | 78 | -17% | -6% |
| Central | -17 | -9 | | -15 | | -16 | | |
| **Group** | **143** | **145** | **1%** | **162** | **-10%** | **167** | **-13%** | **-3%** |
| **Margins per segment** | **Q2'24** | **Q2'25** | **y-o-y** | **Q2'25e** | **Dev** | **Q2'25e** | **Dev** | **Diff** |
| Sweden | 5.7% | 5.6% | -0.1% | 6.5% | -0.9% | 6.5% | -1.0% | 0.0% |
| Norway | 8.9% | 8.3% | -0.6% | 9.5% | -1.2% | 9.1% | -0.7% | 0.4% |
| Rest of Europe | 22.1% | 19.5% | -2.6% | 20.0% | -0.5% | 19.8% | -0.3% | 0.2% |
| **Group** | **8.7%** | **9.0%** | **0.4%** | **9.6%** | **-0.6%** | **9.5%** | **-0.5%** | **0.1%** |

*Source: ABG Sundal Collier, company data, FactSet*

## Estimate changes

| Estimate changes | | Old | | | New | | | % change | |
|---|---|---|---|---|---|---|---|---|---|
| **SEKm** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** |
| **Net sales** | **6,354** | **6,707** | **6,979** | **6,381** | **6,820** | **7,097** | **0%** | **2%** | **2%** |
| **Adj. EBITA (ABGSCe)** | **566** | **626** | **659** | **566** | **636** | **668** | **0%** | **1%** | **1%** |
| ABGSCe IAC (acq cost, etc) | -4 | 0 | 0 | -8 | 0 | 0 | | | |
| **EBITA** | **562** | **626** | **659** | **558** | **636** | **668** | **-1%** | **1%** | **1%** |
| PPA amortisation | -126 | -132 | -132 | -117 | -132 | -132 | | | |
| **EBIT** | **436** | **494** | **527** | **441** | **504** | **536** | **1%** | **2%** | **2%** |
| Net financials | -122 | -81 | -45 | -128 | -81 | -45 | | | |
| **PTP** | **314** | **413** | **482** | **313** | **423** | **491** | **0%** | **2%** | **2%** |
| Taxes | -79 | -103 | -121 | -77 | -106 | -123 | | | |
| NCI, disc | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| **Net profit** | **235** | **310** | **362** | **236** | **317** | **368** | **0%** | **2%** | **2%** |
| **Growth and margins** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** |
| **Sales growth** | **0%** | **6%** | **4%** | **0%** | **7%** | **4%** | | | |
| Organic | -3% | 5% | 4% | -5% | 5% | 4% | | | |
| FX | -2% | 0% | 0% | 0% | 0% | 0% | | | |
| Structure | 5% | 1% | 0% | 6% | 2% | 0% | | | |
| **Adj. EBITA growth** | **3%** | **11%** | **5%** | **3%** | **12%** | **5%** | | | |
| **Adj. EBITA margin** | **8.9%** | **9.3%** | **9.4%** | **8.9%** | **9.3%** | **9.4%** | **0.0%** | **0.0%** | **0.0%** |
| **EBITA margin** | **8.8%** | **9.3%** | **9.4%** | **8.8%** | **9.3%** | **9.4%** | **-0.1%** | **0.0%** | **0.0%** |
| EBIT margin | 6.9% | 7.4% | 7.6% | 6.9% | 7.4% | 7.5% | 0.1% | 0.0% | 0.0% |
| **Sales per segment** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** |
| Sweden | 2,639 | 2,771 | 2,882 | 2,569 | 2,698 | 2,805 | -3% | -3% | -3% |
| Norway | 2,373 | 2,506 | 2,606 | 2,411 | 2,546 | 2,648 | 2% | 2% | 2% |
| Rest of Europe | 1,344 | 1,430 | 1,491 | 1,407 | 1,576 | 1,644 | 5% | 10% | 10% |
| Central | -3 | 0 | 0 | -6 | 0 | 0 | | | |
| **Group** | **6,354** | **6,707** | **6,979** | **6,381** | **6,820** | **7,097** | **0%** | **2%** | **2%** |
| **EBITA per segment** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** |
| Sweden | 174 | 198 | 221 | 164 | 193 | 215 | -6% | -3% | -3% |
| Norway | 196 | 226 | 240 | 188 | 218 | 231 | -4% | -4% | -4% |
| Rest of Europe | 239 | 248 | 251 | 249 | 271 | 274 | 4% | 9% | 9% |
| Central | -48 | -46 | -52 | -42 | -46 | -52 | | | |
| **Group** | **562** | **626** | **659** | **558** | **636** | **668** | **-1%** | **1%** | **1%** |
| **Margins per segment** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** | **2025e** | **2026e** | **2027e** |
| Sweden | 6.6% | 7.1% | 7.7% | 6.4% | 7.1% | 7.7% | -0.2% | 0.0% | 0.0% |
| Norway | 8.3% | 9.0% | 9.2% | 7.8% | 8.6% | 8.7% | -0.5% | -0.5% | -0.5% |
| Rest of Europe | 17.8% | 17.4% | 16.8% | 17.7% | 17.2% | 16.7% | -0.1% | -0.2% | -0.2% |
| **Group** | **8.8%** | **9.3%** | **9.4%** | **8.8%** | **9.3%** | **9.4%** | **-0.1%** | **0.0%** | **0.0%** |

*Source: ABG Sundal Collier, company data*

## A green service by nature

Green Landscaping offers services in three areas: Landscaping and construction (30% of 2022 sales), Ground maintenance (50%), and Road maintenance/snow & ice removal (20%). The service offering differs somewhat between different regions and segments: customers and competitors tend to be fragmented and vary across each local region. For the group as a whole, the public sector accounts for roughly ~60% of sales, with the more detailed split being ~50% central government and municipalities, ~20% public properties and housing, ~20% private properties and housing, and ~5% tenant-owner associations.

**Green Landscaping's service areas**

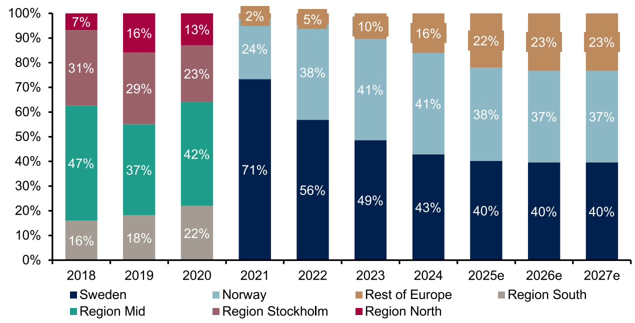
| Sales area | % of sales | Services | Customers |
|---|---|---|---|
| Landscaping and construction | 30% | • Design and construction of all types of green outdoor environments<br>• Expertise in projects within landscaping architecture, ground maintenance, plant technology, project management, inspection and construction | • Municipalities<br>• Municipal companies<br>• Construction companies |
| Ground maintenance | 50% | • Green maintenance services, such as cleaning, lawn mowing, pruning, planting, harvesting and road maintenance | • Municipalities<br>• Property managers<br>• Country councils<br>• Property companies |
| Road maintenance and snow & ice removal | 20% | • Snow and ice removal are offered on roads, streets, park areas, marketplaces and the grounds surrounding properties | • Municipalities<br>• The transport administrations |

*Source: ABG Sundal Collier, company data*

## Strategic expansion outside of Sweden

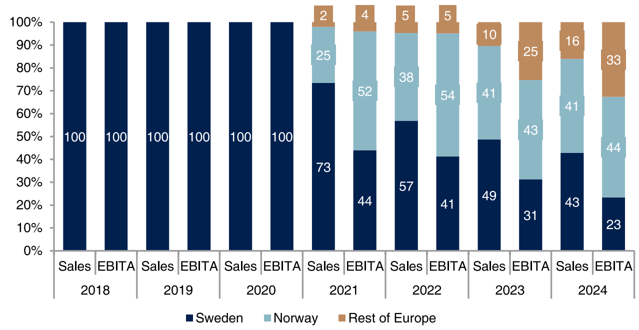
The group is structured into three geographical divisions: Sweden (49% of sales in 2023), Norway (41%) and Rest of Europe (10%). The first acquisitions outside of Sweden occurred in Norway and Finland during 2021. In 2022, the acquisition of the Lithuanian company Stebule marked the company's first step outside the Nordics. The subsidiary reports to the Rest of Europe segment. Both Norway and RoE have grown over the past two years, with a combined total of 20 acquisitions. The Norwegian acquisitions have had higher average margins (adding 39% to sales, but 54% to adj. EBITA in '22) than the rest of the business. That said, we understand that there should be few structural differences between Sweden and Norway when it comes to profitability over time.

**Sales split per region**



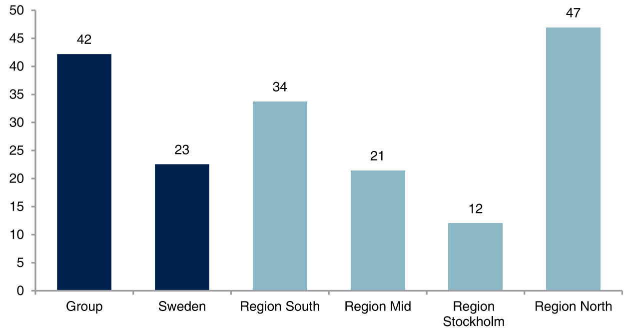

*Source: ABG Sundal Collier, company data*

**EBITA split and margins per region**



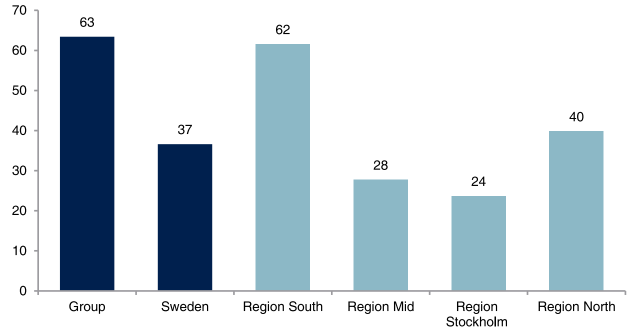

*Source: ABG Sundal Collier, company data*

### Total sales CAGR (%, '18-'22) by region




*Source: ABG Sundal Collier, company data*

### Adj. EBITA CAGR (%, '18-'22) by region




*Source: ABG Sundal Collier, company data*

# A business model for the green market

***Green Landscaping's business model is structured to perform efficiently in the fragmented local landscaping and ground maintenance market. The decentralised model, where decision-making is carried out at each individual unit, enables proximity to the customer, which in turn allows the group to benefit from each subsidiary's customer relations. Each unit keeps its own brand and has full P&L responsibility.***

The business of landscaping, ground maintenance and similar services is mainly sourced by customers in the public sector (~70% over time, but ~60% in 2023, according to management). Thus, customers can be private companies, but the majority of the group's business is contractual and highly dependent on public procurement ('offentlig upphandling') processes. When evaluating M&A targets as well as when growing organically, Green Landscaping puts a high emphasis on making sure that their units and personnel have the required skill, knowledge and machinery to be successful in winning public tenders, with good financial returns. The underlying market has been growing steadily over time, which lowers operational risk, but puts an even higher emphasis on ensuring good profitability and customer relationships with public customers where an important criterion in tender processes revolves around price.

In a service business like Green Landscaping's, personnel is one of the crucial factors to enable growth (~30% of its cost base relates to personnel). Thus, staffing is a key driver of growth, which is why recruitment (both organically and through M&A), employee attraction and retention are crucial. In addition, the high level of market fragmentation means that local expertise is key to being competitive. This is why the business model relies on delegating as much decision-making and profit & loss responsibility as possible to the local units.

## Value creation

Green Landscaping aims to make sure that its individual units have the experience and skill to make sure that value is created through the service offering by maintaining and constructing customers' green areas. Although public tenders often include the evaluation of competing tenders, propositions win tenders by understanding the customer's needs and not by simply offering the lowest price. Once a tender has been won, value is created by making sure that contracts are executed with a high level of quality while maintaining a good level of cost control and by trying to obtain add-on requests that could further raise the value and profitability potential of a contract. Green Landscaping induces healthy competition among its subsidiaries. By gathering different actors, knowledge and inspiration can be shared. The highest performer can lead the way, increasing the ambitions of, and pressure on, the operationally weaker subsidiaries. The goal is to motivate good performance among all subsidiaries, allowing them to better serve customers and live up to other stakeholders' expectations (financial, environmental etc).

### Win the fixed-price contract, secure the add-on sales

Revenue mainly stems from contracts with an average length of 3-5 years, with the possibility to extend the contract by 2-4 more years. The size of the project varies, but averages around SEK 700-800k. Larger contracts reaching tens of millions are less common. About 65% are fixed-price agreements indexed using the Swedish contractor index ('Entrepenadindex'), which measures the inflation in contractors' and installers' cost base. Both the ground maintenance (50% of sales) contracts and the snow and ice removal (20% of sales) contracts are indexed, which aligns with their longer time frames. The landscaping contracts, which usually extend over 3-6 months, are not. While the order book drives sales, many projects tend to expand beyond what was initially contracted.

To our understanding, the add-on sales drive a significant share of the result (and profits). In the initial propositions, public tender processes mean that one usually has to offer a price at the lower end in order to win a contract. When providing additional services outside the scope of the contracts, pricing can be more flexible, and prices higher. The additional sales therefore cause an increase in both price and volume, without much extra cost for the provider (if the contractor does it well). For Green Landscaping, the fourth quarter captures the largest share of the add-on sales. The public customers usually work on a budget, where remaining funds in the budget for the current year tend to be deployed before year-end. According to management, the units' local presence and close customer relationships positively affect the price point (and profitability potential).

**Competitiveness ensures financial performance**


*Source: ABG Sundal Collier, company data*

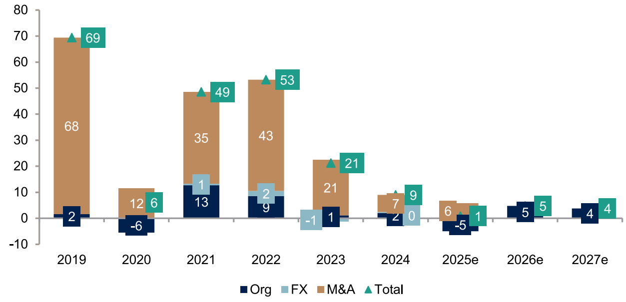
### Competing with experience and size, in highly fragmented local markets

Green Landscaping has a 60/40 split between public and private customers. Due to the decentralised structure, each subsidiary has its own local customer base. As such, knowledge-sharing among units is one way for Green Landscaping to add value for its subsidiaries, since it is less common for units to collaborate on projects. The company has many small customers (no customer accounts for more than 2-3% of sales). One factor that is common for many of them is that landscaping, ground and road maintenance are considered necessities rather than luxuries. Combined with the constant need for maintenance, this makes demand rather non-cyclical, as we will illustrate further below. The municipalities are important customers that, when combined, constitute a large share of revenue. We believe that this can constitute a risk when longer contracts with these partners expire. Green Landscaping has, however, managed to keep a retention rate of ~80%, easing possible concerns.

## Growth through profitable acquisitions

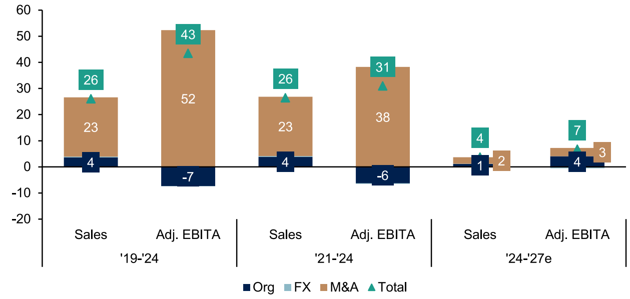
Green Landscaping's strategy is based on the combination of organic growth and acquisitions, with the majority of its focus being on acquiring well-run and profitable companies that are capable of growing in their local markets. Based on management's market size assessment (SEK 325bn), Green Landscaping should be able to maintain a long growth runway with a focus on finding dedicated entrepreneurs in the still-highly fragmented landscaping market. Green Landscaping works towards consolidating the market and benefits from economies of scale and synergies. Since 2019, the company achieved a 26% sales CAGR, of which we estimate 4% was through organic growth and 23% from M&A, highlighting the strategic focus on acquisitions.

**ABGSCe sales growth composition (%)**




*Source: ABG Sundal Collier, company data*

**ABGSCe growth breakdown (%, CAGR)**



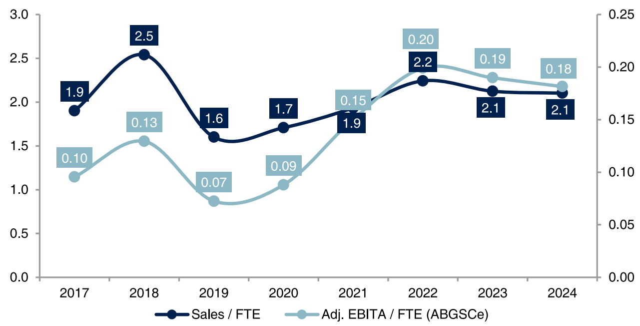

*Source: ABG Sundal Collier, company data*

## The importance of productivity

For a service company, employee productivity (especially in terms of earnings) is a key driver of performance. This becomes even more important with an M&A-oriented business model like Green Landscaping's, where the integration of acquired employees directly affects productivity. Since 2020, Green Landscaping has showed a positive trend in productivity, increasing sales per FTE from SEK 1.7m to SEK 2.1m '20-'23, a period during which sales grew by a CAGR of 40%.

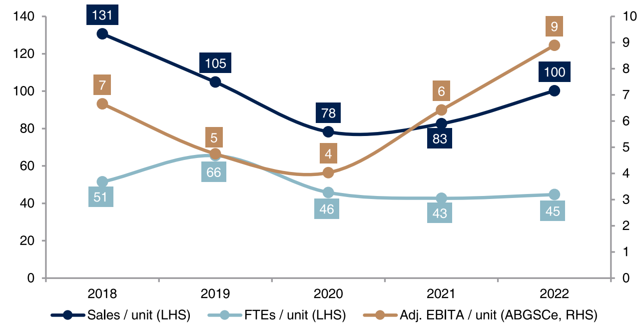
Employee productivity increased even faster in relation to earnings, which we argue is more important, with adj. EBITA per FTE expanding from SEK 0.09m to SEK 0.18m during the same period (when reported EBITA grew by a 50% CAGR). An important note is however that sales/FTE is sensitive to structural differences between acquired units and might fluctuate as new businesses join the group, but earnings productivity should still show a positive trend.

**Sales and earnings productivity (SEKm)**




*Source: ABG Sundal Collier, company data*

**Business unit productivity**



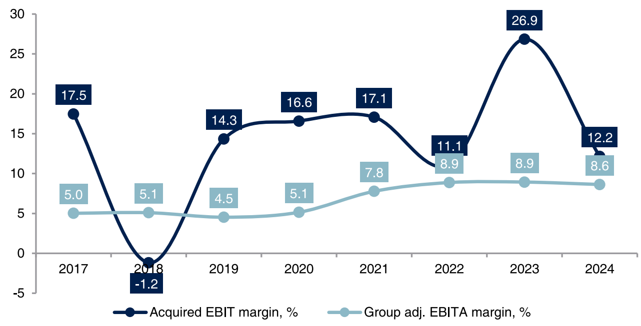

*Source: ABG Sundal Collier, company data*

## Highly profitable acquisitions, room for further organic improvement

The opportunities for economies of scale and synergies (such as knowledge-sharing, administrative support, improved recourse allocation, joint purchasing agreements, project collaborations, etc) should allow profitability to rise when joining the group. However, we note that Green Landscaping's main priority has been to acquire companies that are already running at high (i.e. above-group level) margins. At the same time, certain legacy businesses and other underlying units have instead seen lower profitability. Therefore, the acquired EBIT margin has been significantly higher than the total (group EBITA) margin. Between 2019 and 2024, we estimate that M&A added a total of 7.8pp to the EBITA margin.

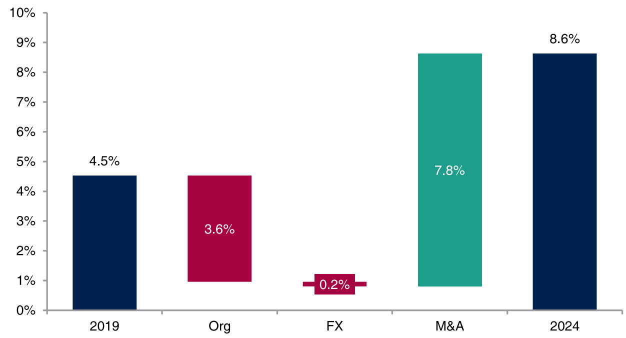
In growth terms, we estimate that 52pp of the 43% 2019-2024 adj. (ABGSCe excl. IPO and acquisition cost) EBITA CAGR stemmed from acquired earnings, implying a -7% CAGR in organic earnings. The corresponding CAGR for 2021-2023 would be a total adj. EBITA CAGR of 31%, of which 38% p.a. was through M&A and -6% p.a. was organic (ABGSCe). Although the continued acquisition of margin-accretive units is impressive, we find it positive to see indications in 2021-2022 of the underlying units demonstrating an ability to grow earnings organically. This should, in our view, be seen as a clear positive for the investment case and help support profitable growth, even though certain units hold back organic earnings in 2023-2024.

### History of acquiring margin-accretive units



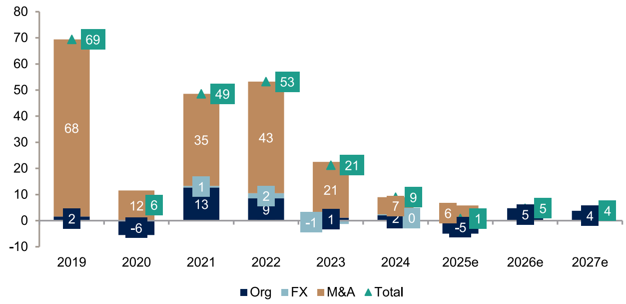

*Source: ABG Sundal Collier, company data, ABGSCe IACs (acq cost, IPO cost, etc)*

### ABGSCe adj. EBITA margin bridge



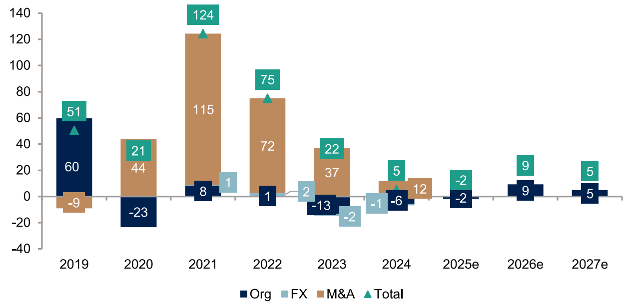

*Source: ABG Sundal Collier, company data*

### ABGSCe sales growth composition (%)




*Source: ABG Sundal Collier, company data*

### ABGSCe adj. EBITA growth composition (%)




*Source: ABG Sundal Collier, company data*

## Focus on well-performing units, no 'turnarounds'

The company plans to keep its focus on acquisitions. About 3,500 companies have been identified within Green Landscaping's current markets. When looking for possible acquisitions, the sweet spot is companies with sales of SEK 30-200m. Green Landscaping's approach is to identify well-performing targets and offer them a larger context through the group, thereby potentially strengthening the overall performance. To achieve the best results and benefit from potential synergies, Green Landscaping looks for companies that are already well-performing, and that they can benefit from collaborations if the unit is acquired in an existing region.

Management has been clear that future M&A will also be directed towards geographical expansion into the DACH region. Given that the group does not currently have any presence in this region, we expect management to look for slightly larger units with a long history of strong financial performance, similar to what we understood was the case with the Lithuanian business Stebule.

### Green Landscaping's M&A strategy

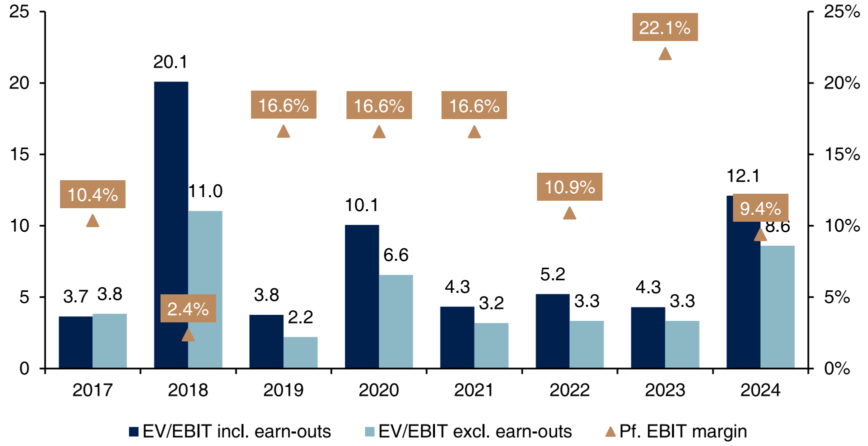
| M&A approach | Acquisition criteria | |
|---|---|---|
| **A home for entrepeneurs**<br>Gathering well-performing companies and offering a larger context to increase performance | • Sales of SEK 30-200m<br>• Strong local brand<br>• In regions where GLG currently operates<br>• In business areas where GLG is active<br>• Ability to generate synergies | • Well-functioning, stable and profitable<br>• Competent management teams<br>• Talanted entrepeneurs<br>• Share the GLG values<br>• Long-term customer relationships and contracts |

*Source: ABG Sundal Collier, company data*

### Acquisitions made at 4-6x EV/EBIT(A)

Historically, Green Landscaping Group has paid about 4-6x EBITA for its acquisitions (6x on aggregate '17-'23 incl. earn-outs, 5x excl. earn-outs). According to management, a multiple of 5-6x should be a reasonable assumption going forward. '24 Multiples are higher as one acquisition included a property. As the group is now considering larger and more established companies than before, which also tends to attract more competition from other companies and financial players, the purchase prices could increase. However, the strategy of acquiring well-performing companies will support investors' willingness to pay slightly higher multiples, in our view. The acquisitions are usually paid by a combination of cash and issued shares in Green Landscaping Group, with a typical split of 80% cash and 20% shares. The group has historically issued ~1% of outstanding shares each year for incentive programme purposes.

### Implied EV/EBIT multiples paid*




*Source: *EV less cash in acquired units, ABG Sundal Collier, company data*

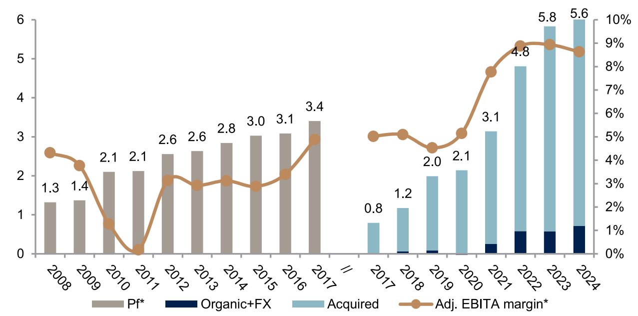
# Financial performance

***Green Landscaping has actively been consolidating its fragmented end-markets and achieved a 26% sales CAGR '19-'24 (~4% organic). If we look at Green Landscaping's underlying units on a pro forma basis, we estimate that the underlying units delivered an 8% sales CAGR '08-'22 and a 13% adj. (ABGSCe, excl. IACs such as acquisition cost and IPO cost) EBIT(A) CAGR. The underlying units were resilient during the financial crisis, supported by a backlog-driven business (many contracts last for 2-4 years, and contain indexation clauses to mitigate cost inflation) but certain legacy companies acquired during and before 2018 have held back profitability as well as organic earnings growth. We find it encouraging that the underperforming units have shown clear signs of improvement in 2020-2022, especially in 2022. Cash conversion has been volatile historically, but we expect improving working capital levels and its relatively asset-light business to support an improving return on capital and allow for M&A headroom that could add c. 20-50% to EBITA '26e-'27e.***

## Impressive growth, mainly driven by M&A

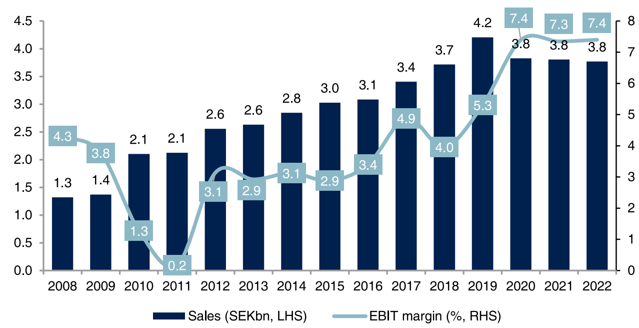
Green Landscaping has shown impressive historical growth, mainly driven by its fast-paced M&A agenda. The '19-'24 sales CAGR of ~26% was driven by ~23% M&A growth, negligible FX effects and ~4% organic growth. While growth stems mainly from acquisitions, we appreciate the 4% organic expansion. It proves the potential of the underlying businesses and the ability to expand on existing markets. Although the group has a relatively short financial history, we have looked at Green Landscaping's underlying businesses and estimate that the group, on a pro forma basis, has delivered an 8% sales CAGR '08-'22, and a 13% adj. EBIT(A) CAGR. In addition, we find that Green Landscaping's units were resilient during the financial crisis, and saw both growth in sales and higher margins. We will go deeper into the units' underlying development later on, but we argue that the group's claim of being resilient to macroeconomic fluctuations is supported by our findings on a pro forma level, while the margin uplift seen in recent years points to the upside in profitability once the legacy units improve.

**ABGSCe pf+historical sales and EBIT/A***




*Source: ABG Sundal Collier, company data, Valu8, *ABGSCe excl. IACs such as acq cost and IPO cost*

**ABGSCe pf development of underlying units**



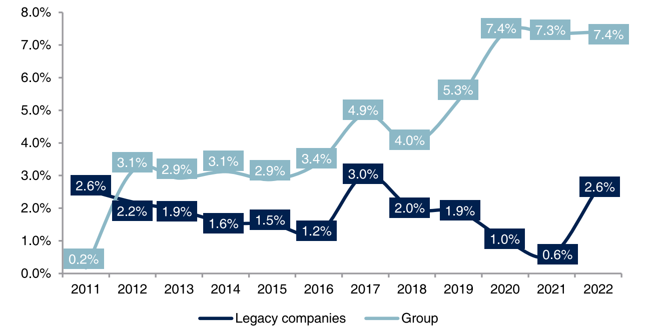

*Source: ABG Sundal Collier, Valu8*

### Profitable acquisitions, recent improvement in organic earnings

Despite several years of highly profitable acquisitions, the organic (ABGSC estimate on acquired earnings contribution using data from annual reports as a proxy) adj. EBITA for '18-'23 showed positive growth, but was negative in '21-'24. This is during the same period where organic sales grew by a 6% CAGR. The group has had challenges with its organic earnings growth, muting overall performance. The effect comes from a combination of company-specific struggles, low profitability in the legacy firms, integration costs related to the acquisitions, the addition of a management fee (c. 1%) and cost pressures related to inflation during 2022-2023. Project-specific struggles have hampered the earnings development in Sweden, especially in Region Stockholm. In addition, the Swedish business is challenged by low original margins in the legacy firms, namely the companies that belonged to the 'old' Green Landscaping and Svensk Markservice. When Svensk Markservice was acquired in 2018, it had an EBIT margin below 2%.

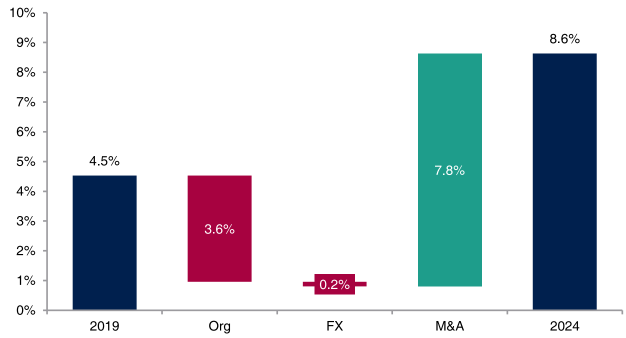
The group is working actively to strengthen the performance of these subsidiaries, which has resulted in a slight positive trend in margin development. As we will expand upon below, we find it encouraging to see that the Swedish legacy units showed a clear margin improvement in 2022. In the other regions, Norway and Finland and Baltic, the downward trend in the margin (since entering the markets in 2021) is explained by a combination of the margins being abnormally high leading up to the acquisition and integration costs currently dampening the performance. As the integration is completed, a positive trend should be seen in these margins, too. To summarise, we will continue to monitor the organic earnings growth, and hope to see continued positive trends and improvements ahead.

### ABGSCe pf EBIT margins of underlying units




*Source: ABG Sundal Collier, company data, Valu8*

### ABGSCe adj. EBITA margin bridge



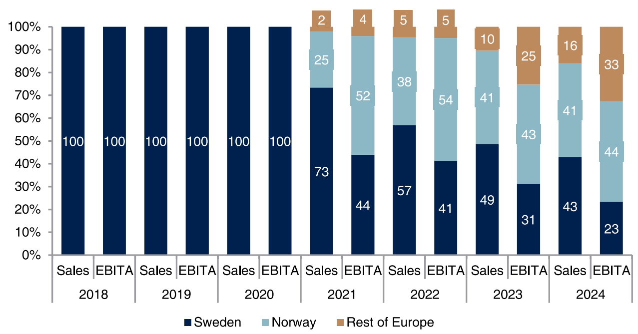

*Source: ABG Sundal Collier, company data*

### Landscaping and maintenance in a Nordic environment

Green Landscaping's business is focused on providing services within three main areas: Landscaping and construction, Ground maintenance and Road maintenance and snow and ice removal. 50% of sales are attributable to the Ground maintenance area, which is closely connected to the Landscaping and construction business (30% of sales), as the maintenance services usually are sold as add-ons. Road maintenance and snow and ice removal is the smallest area (20%) and also the most volatile; it is only offered in some geographic regions.

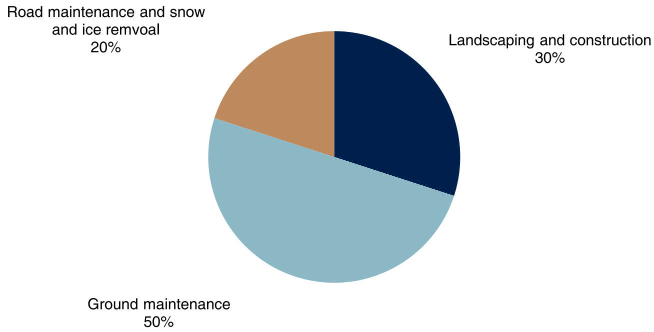
Sweden remains the largest region (49% of sales in 2023), even if the growth of the other two segments has been significant over the past two years (Norway is now at 41% of sales, Finland/Rest of EU at 10%). According to management, there are no structural differences between the regions. The different profitability levels (EBITA margins of ~6% in Sweden, ~10% in Norway and ~23% in Finland/Rest of EU) rather stem from company-specific differences, with previous struggles and the legacy companies dampening the Swedish performance.

### EBITA split and margins per region




*Source: ABG Sundal Collier, company data*

### Sales split by service area

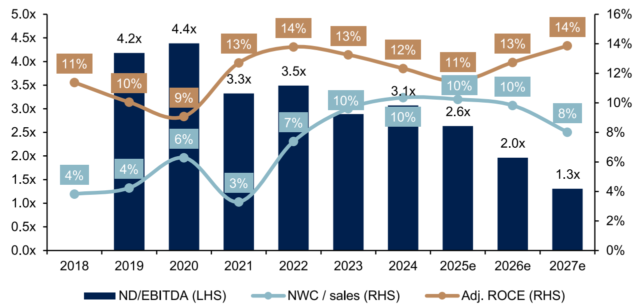



*Source: ABG Sundal Collier, company data*

### Asset-lightness beginning to show

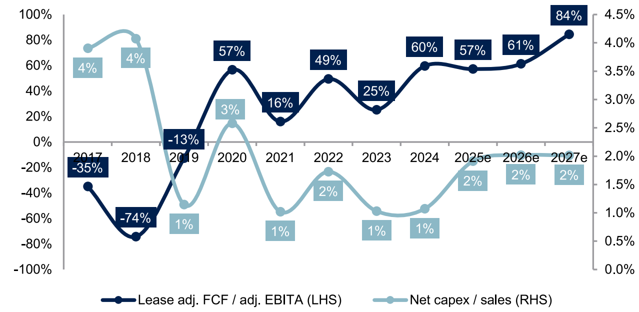
Although Green Landscaping has a certain need for working capital (~5% of sales since 2018, 10% in 2024) and capex (~2% of sales), the inherent business model should be asset-light given its service- and backlog-driven nature. In addition, we note that M&A multiples are also in line with clearly value-accretive acquisitions made by established serial acquirers such as Addtech, Lagercrantz, Lifco and Indutrade. However, we believe the rapid M&A pace and below-targeted margins are the main reasons behind Green Landscaping's adj. ROCE of ~13%. This has also been visible in the cash flow, where we note that lease adj. FCF (pre-M&A) was negative in 2017-2019 due to working capital build-up and capex. We find it positive to see that FCF clearly improved in 2020 while ROCE started to rise in 2021. Given the current margin trajectory and recent quarters' FCF improvement, we would expect Green Landscaping's return on capital metrics to continue to rise.

### Gearing, working capital and ROCE




*Source: ABG Sundal Collier, company data*

### Cash conversion and capex intensity

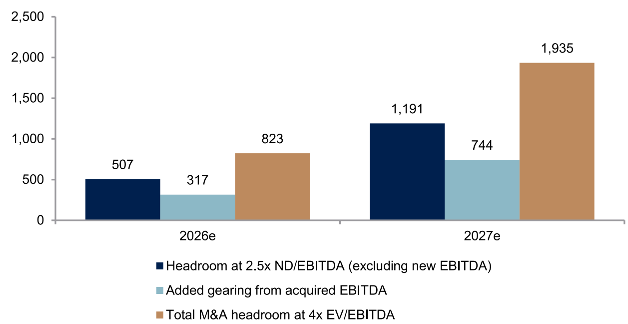



*Source: ABG Sundal Collier, company data*

### M&A headroom could add 20-50% to '26e-'27e EBITA

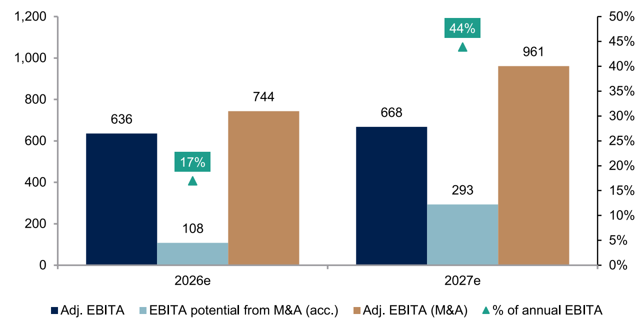
We expect margin- and value-accretive M&A to remain the main growth driver for Green Landscaping. Although historical gearing has been above its target of 2.5x ND/EBITDA, we expect the improving FCF and continued growth in earnings to yield a ND/EBITDA of 2.5x by YE'25e. Assuming that new M&A is conducted at 4x EV/EBITDA (4-6x EV/EBITA historically, '24 multiples were higher due to one acquisition including a property), while maintaining a gearing ratio in line with the 2.5x target, we estimate Green Landscaping will have SEK 0.9-2bn in M&A headroom in '26e-'27e. This would in turn imply a capacity to add ~20-50% to '26e-'27e EBITA on top of our existing estimates.

### ABGSCe M&A headroom (SEKm)




*Source: ABG Sundal Collier, company data*

### Estimated M&A headroom to EBITA




*Source: ABG Sundal Collier, company data*

# A look at the underlying units

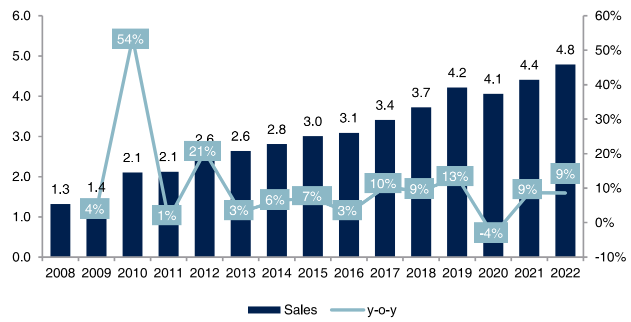
***We have looked into the pro forma development of Green Landscaping's underlying units and find that the group of acquired companies delivered a 10% sales CAGR '08-'22 and a 14% EBIT CAGR. Margins are higher outside of Sweden, but there has been an uplift in all regions, where well-performing units have continued to show a positive trend while the legacy underperformers have shown clear signs of improvement in recent years. We find that the number of companies in the group with 10% EBIT margins or higher have gone from 14 in 2017 to 19 in 2022. Although the margins in acquired units tend to decrease the year after the time of acquisition, the higher starting point, management experience and more established integration processes should stabilise this effect over time.***

Green Landscaping's business model is centred on its acquisitions. The aim is to utilise the cash flows, along with the gearing headroom, from the current subsidiaries to acquire other well-performing companies. This process can be highly value-creative, as reflected by both paid multiples and their margin-accretive impact on the group. For Green Landscaping, which has delivered ~60% annual EBITA growth since 2017 combined with ~11% ROCE and positive cash conversion in more recent years, M&A should continue to be the main priority. However, given its historical challenges in certain legacy units as well as its fairly short history as a listed company, we aim to take a deeper dive into the historical performance of ~30 of its ~43 underlying units.

## Solid underlying sales trajectory

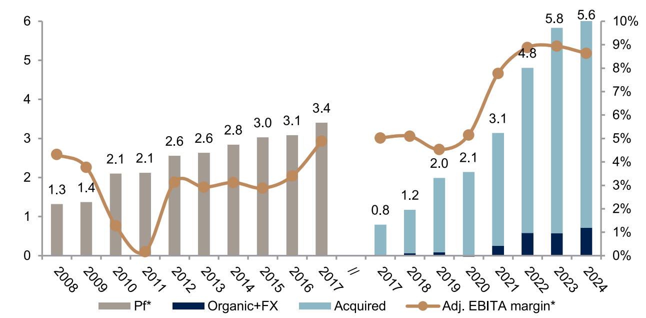
We find that the group of acquired companies delivered a pro forma sales CAGR of 10% between 2008 and 2022, and saw slight growth in 2009. Green Landscaping as a group was formed in 2009 and significantly stepped up its M&A pace in 2017. Between 2017 and 2022, the group delivered a 43% sales CAGR, of which ~5% was organic (negligible FX and 38% from M&A). The corresponding pro forma sales CAGR for the underlying units was 7%, thus fairly in line with the group's reported organic growth figure. Thus, we believe the pro forma numbers support the premise that Green Landscaping has the prerequisites for positive underlying organic growth.

**ABGSCe 10% pf sales CAGR '08-'22 (SEKm)**




*Source: ABG Sundal Collier, company data, Valu8*

**ABGSCe pf+historical sales and EBIT/A***



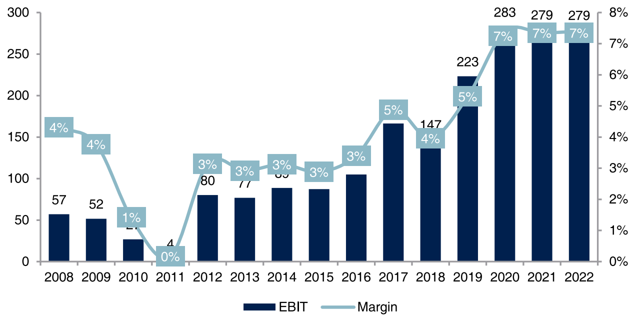

*Source: ABG Sundal Collier, company data, Valu8, *ABGSCe excl. IACs such as acq cost and IPO cost*

### Recent profitability improvement visible in underlying units

Underlying earnings growth has exceeded top-line growth. In 2008-2022, we estimate that the underlying units delivered a 13% EBIT CAGR with stable margins during the financial crisis. Between 2018-2022, the pro forma EBIT CAGR was 17%, which deviates vs. our estimate of Green Landscaping's group org. EBITA CAGR of 7% due to a number of reasons that we will expand upon further below.

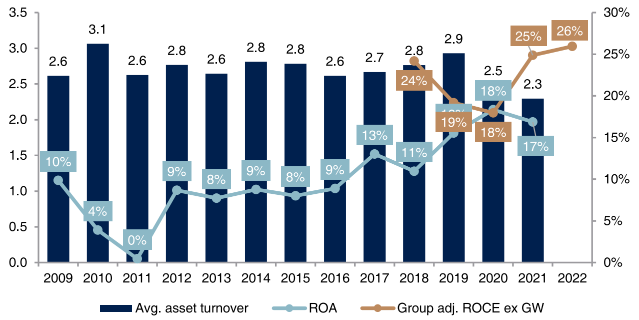
As we will go into further below, we can partly attribute some of the operational headwinds to certain legacy units with relatively low profitability. However, we also find support for Green Landscaping's recent improvement in both margins and return on capital when looking at the underlying units. On aggregate, the pro forma EBIT margin improved from 3-4% in 2014-2018 to 7% in 2020-2022. The underlying asset turnover has also improved somewhat in recent years, which combined with higher margins has supported an uptick in return on assets (ROA) to ~20%, which is roughly in line with Green Landscaping's ROCE when excluding goodwill (a representative proxy for underlying return on capital, in our view).

### ABGSCe 12% pf EBIT CAGR '08-'22




*Source: ABG Sundal Collier, company data, Valu8*

### ABGSCe pf return on capital



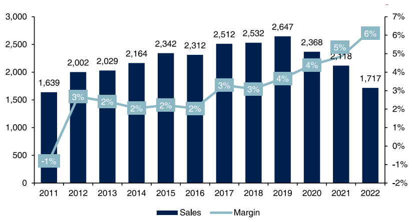

*Source: ABG Sundal Collier, company data, Valu8*

### Higher margins outside of Sweden, but uplift in all regions

From a regional perspective, we find that the underlying units match the profitability of the reported segments, meaning that the underlying units in Norway and Finland on aggregate have delivered higher margins than Green Landscaping's Swedish units. However, we find it positive to see that margins in Sweden have improved notably each year since 2018, while Norway and Finland saw lower margins in 2022-2021 vs. 2020, albeit from higher levels. The sales performance matches our understanding of the group's strategic focus.

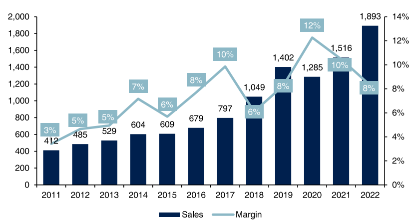
Sweden had a -9% sales CAGR '18-'22 (pro forma), which we believe is due to the internal efficiency improvements where exiting contracts and winding down certain operations were prioritised in order to grow earnings and lift margins. This has been successful, as the pro forma EBIT CAGR over the same time period was 8%. The corresponding figures for Norway were 16% and 25%, and 4% and 31% for Finland, respectively, which we believe indicates the potential from combining growth in well-performing units with the ability to further lift performance in legacy units in Sweden.

### Sweden pf sales and EBIT margin



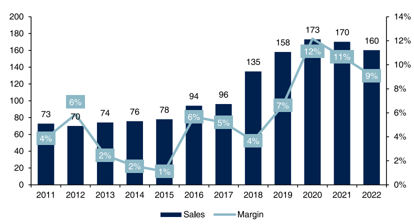

*Source: ABG Sundal Collier, Valu8*

### Norway pf sales and EBIT margin




*Source: ABG Sundal Collier, Valu8*

### Finland pf sales and EBIT margin




*Source: ABG Sundal Collier, Valu8*

# Market and competition

***The Scandinavian and Baltic markets for landscaping remain highly fragmented, and characterised by a large amount of smaller players, with Green Landscaping currently having a ~5% market share in its addressable market. The majority of customers are public/state-owned, which in turn creates stability and allows companies with a good understanding of public tender processes to maintain good competitiveness and profitability. We find that public spending related to outdoor environments has been stable over time (4% CAGR '11-'21), even in weaker macroeconomic environments, while demographic trends related to urban environments in larger cities should also support demand.***

## Fragmented market with local competition

Green Landscaping operates in the Swedish, Norwegian, Finish and Lithuanian markets for landscaping and construction, maintenance and snow and ice removal. These markets are highly fragmented. According to Green Landscaping, the combined universe consists of around 18,000 companies at a total size estimated at SEK 325bn in 2022 (SEK 105bn being addressable). This in turn implies that Green Landscaping as of 2022 had a market share of ~1% (~5% in its addressable market), which should allow for plenty of growth in the years to come. Competition mainly consists of small, local players. In 2021, the company claimed that 3,500 companies had sales ranging between SEK 30-200m, with this range also being Green Landscaping's sweet spot for acquisitions. Green Landscaping is one of few larger players. This generates a competitive edge, as the larger players have better possibilities to take on larger and more demanding projects. One of the most important success factors, however, is strong customer relations, mainly with customers in the public sector.

The customers mainly consist of public players such as municipalities and state-owned companies. This in turn makes local presence and proximity to the customer important, which creates a market that is highly fragmented, but where there can be different smaller players that each possess a significant market share of the relevant region. This is also why acquiring well-run market leaders is in many cases a less resource-intensive way for Green Landscaping to grow its business rather than creating its own venture or trying to win contracts in adjacent regions against stronger, local competitors.

### Competition overview

| Type (Indicative market share) | Example of companies | Focus area: Gardening | Focus area: Detailed planning | Focus area: Niche services |
|---|---|---|---|---|
| Full-service companies (~50%) | Green, HTE Produktion, BITE | Core focus | Core focus | Core focus |
| Construction companies (~35%) | Svevia, Skanska, NCC, PEAB | Presence | Presence | No presence |
| Cooperatives (~5%) | Farmartjänst, MR (Sveriges maskinringar – a nationwide network of equipment providers/operators) | Core focus | Core focus | No presence |
| Property management companies (~5%) | Coor Service Management, Alliance | No presence | Core focus | No presence |
| Specialist companies (~5%) | Jacksons trädvård, GML | Presence | Presence | Core focus |

**Companies' segment focus:** Core focus, Presence, No presence

*Source: ABG Sundal Collier, company data, Strategy&*

### High public exposure creates stability

The fragmented market is characterised by long-term contracts that can generate predictable and recurring revenue streams if set up correctly. About 60% of Green Landscaping's customers are from the public sector, with the rest being private. This creates a certain stability and a low-risk customer base. The combination of contractual business models and somewhat non-cyclical service offerings has led the market to remain stable, even during recessions. Both private and public organisations tend to maintain their outdoor environments during economic downturns, as outdoor environments must be continuously maintained to avoid decay. Consequently, a maintenance lag arises, creating a pipeline of work that must be conducted. This generates increased resilience to possible downturns.

Large customers that offer contracts or framework agreements that are larger in monetary terms and scope often put specific requirements on the suppliers and the tender process. Requirements include appropriate training certifications, Swedish language skills, several contracts with the same customer, quality management systems and references from similar tenders. This creates barriers to entry for smaller companies, and benefits the larger ones as Green Landscaping. Possible requirements are e.g. expectations on the size of operations, certifications, financial strength, range of services – things that a larger and more experienced firm is more likely to offer. Although the contract, which can be in the SEK 30-200m range, is still rewarded to the local business, the backing of Green Landscaping as a group as well as potential coordination benefits with adjacent units are the benefits that can come once a unit is part of the group.

**Fragmented market with high public exposure**

| Fragmented market | Public customers | Recurring revenue | Maintenance lag |
|---|---|---|---|
| +18,0000 companies, only a few large players | Stable, low-risk customer base | Predictable, long-term maintenance contracts | Pipeline of work that must be conducted |

*Source: ABG Sundal Collier, company data*

## Structural factors supporting growth

### Increase in demand for better outdoor environments

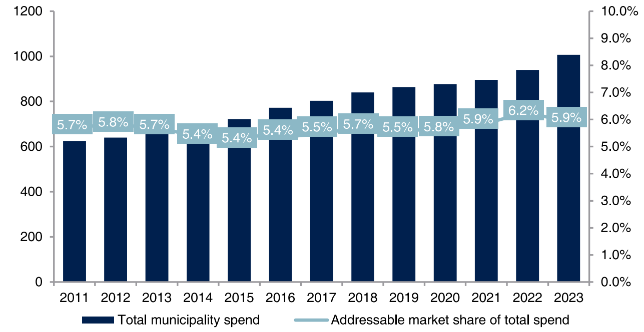
As local residents tend to value the urban environment, the demand for outdoor environments grows with the urban population. Adding on to this, the awareness of the positive effects of outdoor environments is increasing, according to management. Recent studies have highlighted that green areas in city centres have several positive effects on local residents. Firstly, positive health effects have been identified by Richardson et al. ('Role of physical activity in the relationship between urban green spaces and health', 2013), such as lower stress levels, decreased risk of mental health issues and lower risk of cardiovascular disease.

Secondly, it has been shown that spending more time in green areas has a positive effect on children's ability to concentrate (UNICEF) as well as on their cognitive development (Dadvand et al., 'Green spaces and cognitive development in primary schoolchildren'). According to a 2012 survey performed by the consulting and research company Kairos Future, approximately 60% of the Swedish population would be willing to pay more for housing if given proximity to green areas. Since then, the pandemic has further increased the importance of green spaces to the public. In total, this drives demand for landscaping and ground maintenance services from both public and private players.

## Municipality spending affecting the addressable market

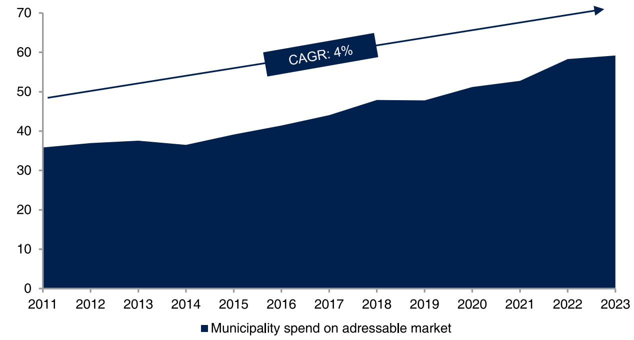
Green Landscaping's extensive exposure (60% of sales) to public customers makes municipal spending an important driver of long-term demand. Over the past 10 years, there has been a positive trend in total municipal spending in Sweden (57% of sales), from SEK 625bn in 2011 to SEK 900bn in 2021. Usually, the municipal budgets have a predetermined share allocated to green areas and outdoor construction. Green Landscaping's addressable market is the product of the total municipal spend and this percentage share. Over the past 10 years, the addressable market share of total spend has been between 5-6%, according to Statistics Sweden ('Statistiska Centralbyrån').

### Municipal spending on green areas, stable over time (%)




*Source: ABG Sundal Collier, company data, SCB, *Sweden only*

### A steadily growing addressable market




*Source: ABG Sundal Collier, company data, SCB, *Sweden only*

# Performance vs. peers

***We argue that the 'big 4' Nordic serial acquirers should serve as aspirational peers, but that service M&A peers represent a more relevant benchmark in terms of both business model as well as financial performance. Here, we mainly look at similar 'newer' peers, such as AFRY, Fasadgruppen and Instalco. We find that GLG has delivered strong growth vs. peers and an organic sales growth in line with peers (3-5% p.a.). However, GLG has historically lagged service peers on profitability (ROCE) and cash conversion, but showed a clear improvement in both metrics during 2021-2022. Thus, provided that earnings growth keeps track with peers while generating better incremental returns as well as good cash flow, it could be argued that GLG should also be favourably benchmarked in terms of valuation. GLG also performs well on productivity measures, mainly looking at earnings vs. peers.***

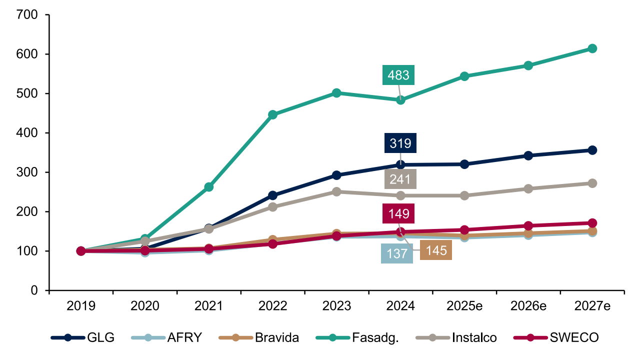
## A solid performer among service peers

There are plenty of well-performing business-service companies in the Nordics, where some players such as AFRY, Sweco and Bravida have reached a more mature stage due to their sheer size following a long period of acquisitions. At the other end, several other groups have initiated clear buy-and-build strategies since 2015-2017. These include players such as Instalco (installation), and Fasadgruppen (façade services).

The 'newer' service companies, including Green Landscaping, have all shown strong sales growth historically (GLG 26% CAGR '19-'24 vs. 37-7%), mainly as they 1) start from a smaller base and 2) have had a higher acquisition pace than more mature peers. Organically, we note a similar trend where Green Landscaping (4% CAGR), have to some extent outgrown AFRY, Bravida and Sweco at 3%.

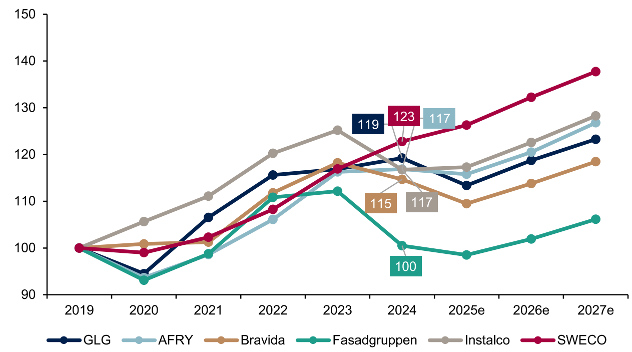
Earnings growth is also more relevant when compared to 'newer' peers, where GLG has outperformed peers in terms of adj. EBITA CAGR (61% vs. GLG 43% vs. 17-6%) historically. Finally, we think return on capital is more important than margins for an acquisition-intensive business services company, but we find it encouraging to see that Green Landscaping is on track (ABGSCe) to deliver margins towards the middle of the peer group, above Instalco, fairly in line with Fasadgruppen.

### Indexed sales vs. service peers



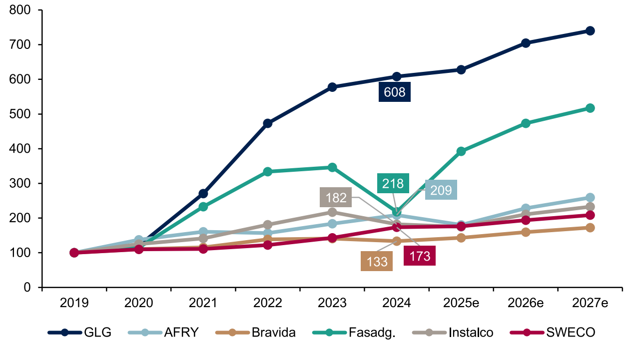

Source: ABGSC for GLG, company data, FactSet est. for peers

### Indexed org. sales vs. peers



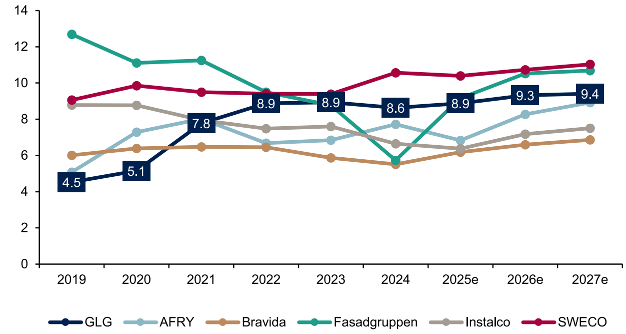

Source: ABGSC for GLG, company data, FactSet est. for peers

### Indexed adj. EBITA vs. service peers




*Source: ABGSC for GLG, company data, FactSet est. for peers*

### Adj. EBITA margin vs. peers (%)

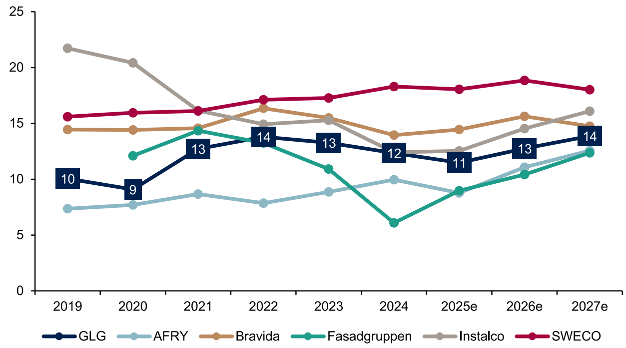



*Source: ABGSC for GLG, company data, FactSet est. for peers*

Although both ROCE and cash conversion for Green Landscaping were below peers on average during 2019-2024, we have seen a clear improvement in both metrics while the continued margin uplift and improved working capital discipline should lead to the group delivering an adj. ROCE towards the high end of the peer group, in line with the likes of Instalco, Bravida and Sweco at 15-19% and above Fasadgruppen (~11%).

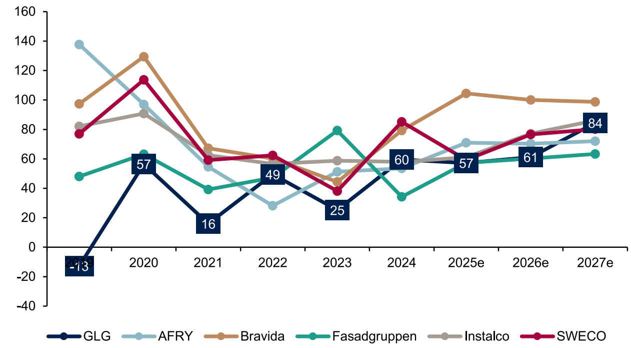
Thus, provided that earnings growth keeps track with the 'newer' peers while generating better incremental returns as well as good cash flow, it could be argued from a fundamental perspective that Green Landscaping should also be favourably benchmarked in terms of valuation. Productivity measures (when looking at both sales and earnings) also speak in favour of Green Landscaping performing well vs. peers.

### Return on capital employed vs. service peers*



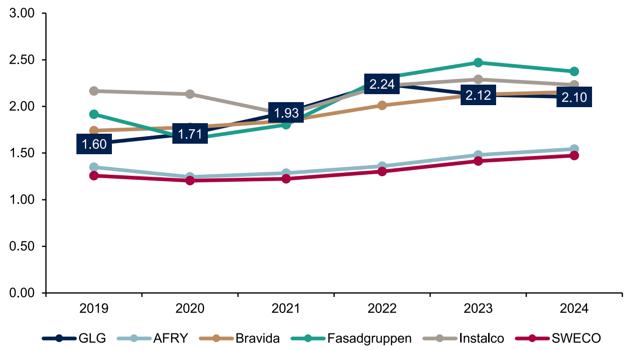

*Source: ABGSC for GLG, company data, FactSet est. for peers, adj. EBITA**

### Cash conversion vs. service peers*



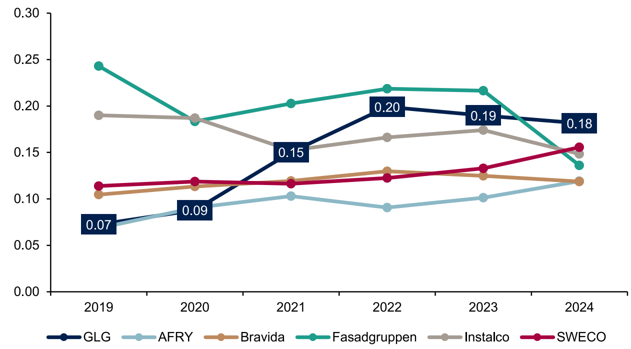

*Source: ABGSC for GLG, company data, FactSet est. for peers, *L adj. FCF/adj. EBITA*

### Sales productivity (Sales / FTE) vs. service peers




*Source: ABG Sundal Collier, company data, SEKm*

### Earnings productivity (adj. EBITA / FTE) vs. service peers




*Source: ABG Sundal Collier, company data, SEKm*

# Valuation

***We expect Green Landscaping Group ('GLG') to deliver growth, margins and profitability in line with key Service M&A peers during 2025e-2027e. At the same time, GLG is trading in line with peers when looking at 2025e-2027e EV/EBITA multiples. Based on a 2025e-2027e EV/EBITA valuation 15% below to 15% above peers, we estimate an equity value range of SEK 56-86. We argue that the key value driver for a serial acquirer is its long-term earnings growth potential from M&A. We therefore support our multiple approach with a 2029e M&A scenario valuation, where GLG's '25e-'29e multiples assuming a 15% EBITA CAGR '24-'29e implicitly become 10-6x EBITA (in line with key peers assuming a similar growth pace). Assuming a 2029e target multiple -15% to +5% vs. its historical valuation (12x), and an 8% return requirement, we derive an equity value per share of SEK 68-95. Our fair value range then becomes SEK 56-95.***

## Service M&A peers the most relevant benchmark

In our view, the most relevant benchmark for Green Landscaping in terms of peers should be 'newer' business service companies with a similar focus on M&A-intensive growth. Within this group, we primarily choose to compare Green Landscaping to Fasadgruppen, Instalco and AFRY, where Green Landscaping has been very competitive in terms of operational performance, particularly in recent years. As shown in the section above and also in a summarised view in the table below, we expect Green Landscaping to deliver both sales growth (4% CAGR '24-'27e, vs. median for key peers of 5%), organic sales (1% vs. 3%) roughly in line with key peers Fasadgruppen, Instalco and AFRY. In addition, we also estimate that cash conversion (68% vs. 69%) will be fairly in line with key peers.

### Operational performance vs. peers

| | '19-'24 CAGR / avg | | | | | | | '24-'27e CAGR / avg | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Peer overview** | **Sales** | **Org. sales** | **Adj. EBITA** | **Margin** | **Adj. ROCE** | **ROCE ex GW** | **FCF / EBITA** | **Sales** | **Org. sales** | **Adj. EBITA** | **Margin** | **Adj. ROCE** | **ROCE ex GW** | **FCF / EBITA** |
| **Green Landscaping** | **26%** | **4%** | **43%** | **7.9%** | **12%** | **23%** | **41%** | **4%** | **1%** | **7%** | **9.2%** | **13%** | **23%** | **68%** |
| **Core serial acquirers** | | | | | | | | | | | | | | |
| Addtech | 13% | 5% | 20% | 13.3% | 24% | 39% | 68% | 6% | 5% | 8% | 15.5% | 26% | 41% | 69% |
| Indutrade | 12% | 5% | 15% | 14.5% | 19% | 28% | 65% | 4% | 3% | 5% | 14.5% | 17% | 27% | 71% |
| Lagercrantz | 18% | 4% | 23% | 16.6% | 22% | 41% | 68% | 8% | 0% | 9% | 17.9% | 22% | 38% | 70% |
| Lifco | 14% | 4% | 19% | 21.6% | 21% | 41% | 67% | 5% | 3% | 5% | 22.6% | 20% | 45% | 64% |
| **Median** | **13%** | **5%** | **19%** | **15.5%** | **22%** | **40%** | **67%** | **5%** | **3%** | **7%** | **16.7%** | **21%** | **40%** | **69%** |
| **Service M&A** | | | | | | | | | | | | | | |
| AFRY | 7% | 3% | 16% | 7.3% | 9% | 26% | 57% | 2% | 3% | 8% | 8.0% | 11% | 37% | 71% |
| Bravida | 8% | 3% | 6% | 6.1% | 15% | 335% | 76% | 1% | 1% | 9% | 6.5% | 15% | 171% | 101% |
| Fasadgruppen | 37% | 0% | 17% | 9.3% | 11% | 46% | 53% | 8% | 2% | 33% | 10.1% | 11% | 49% | 60% |
| Instalco | 19% | 3% | 13% | 7.7% | 16% | 62% | 65% | 4% | 3% | 8% | 7.0% | 14% | 58% | 75% |
| SWECO | 8% | 4% | 12% | 9.7% | 17% | 45% | 72% | 5% | 4% | 6% | 10.7% | 18% | 43% | 72% |
| **Median** | **8%** | **3%** | **13%** | **7.7%** | **15%** | **46%** | **65%** | **4%** | **3%** | **8%** | **8.0%** | **14%** | **49%** | **72%** |
| **Key peers (AFRY, FG, INSTAL)** | **19%** | **3%** | **16%** | **8%** | **11%** | **46%** | **57%** | **4%** | **3%** | **8%** | **8.0%** | **11%** | **49%** | **71%** |

*Source: ABGSC for GLG, company data, FactSet est. for peers*

### In line valuation vs. key peers '25e-'27e, similar performance

Given the serial acquirers' high M&A pace, their combined use of cash flow, debt and equity to finance growth and the varying levels of purchase price-related amortisation, we argue that valuation on an EV/EBITA basis as well as lease adj. FCF yields are the most relevant multiples on which to evaluate Green Landscaping and its peers. Here, the FactSet EV/EBITA median for our selection of peers ranges from 27-6x '25e-'27e and 3-26% FCF yields. For '25e-'27e specifically, this includes Fasadgruppen at 8-6x, AFRY at 12-8x and Instalco at 12-8x. By comparison, Green Landscaping is on our estimates trading at 10-7x EV/EBITA and 10-17% FCF yields '25e-'27e. Thus, we estimate that Green Landscaping is currently trading in line with key peers '25e-'27e, while delivering similar operating metrics.

### Valuation overview vs. peers

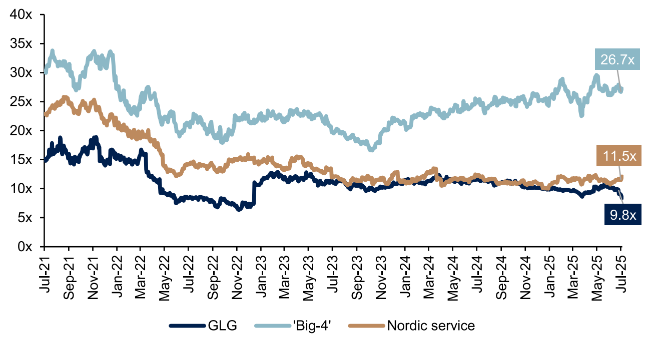
| Peer overview | Mcap SEKm | EV/EBITA adj. 2025e | EV/EBITA adj. 2026e | EV/EBITA adj. 2027e | P/E 2025e | P/E 2026e | P/E 2027e | FCF yield (%) 2025e | FCF yield (%) 2026e | FCF yield (%) 2027e | ND/EBITDA 2025e | ND/EBITDA 2026e | ND/EBITDA 2027e |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Core serial acquirers | 89,083 | 26.4 | 24.1 | 22.2 | 41.2 | 36.9 | 33.8 | 2.4 | 3.2 | 3.4 | 1.3 | 0.8 | 0.3 |
| Service M&A | 16,780 | 12.1 | 9.6 | 8.3 | 16.5 | 11.7 | 10.1 | 7.7 | 10.6 | 11.3 | 2.2 | 1.6 | 1.3 |
| Fasadgruppen | 1,645 | 8.3 | 6.4 | 6.2 | 9.1 | 5.5 | 4.4 | 17.7 | 22.4 | 25.7 | 3.8 | 3.1 | 3.1 |
| Instalco | 7,391 | 12.1 | 9.6 | 8.3 | 17.8 | 11.7 | 10.1 | 7.2 | 11.0 | 13.5 | 2.5 | 1.8 | 1.4 |
| AFRY | 16,780 | 12.4 | 9.4 | 8.1 | 16.5 | 11.5 | 9.6 | 7.7 | 9.6 | 11.2 | 2.2 | 1.6 | 1.3 |
| ***Key peers*** | ***7,391*** | ***12.1*** | ***9.4*** | ***8.1*** | ***16.5*** | ***11.5*** | ***9.6*** | ***7.7*** | ***11.0*** | ***13.5*** | ***2.5*** | ***1.8*** | ***1.4*** |
| **Green Landscaping** | **3,237** | **9.7** | **8.1** | **6.8** | **13.7** | **10.2** | **8.8** | **10.0** | **12.0** | **17.4** | **2.6** | **2.0** | **1.3** |
| *vs. Core serial acquirers* | | *-63%* | *-66%* | *-69%* | *-67%* | *-72%* | *-74%* | *7.6* | *8.8* | *14.0* | *1.4* | *1.2* | *1.0* |
| *vs. Service M&A* | | *-19%* | *-16%* | *-18%* | *-17%* | *-12%* | *-12%* | *2.3* | *1.4* | *6.1* | *0.4* | *0.4* | *0.0* |
| *vs. Key peers* | | *-19%* | *-14%* | *-16%* | *-17%* | *-11%* | *-8%* | *2.3* | *1.0* | *3.8* | *0.2* | *0.1* | *-0.1* |
| | | | **Adj. EBITA** | | | **Net debt** | | | **Sh count** | | | | |
| **Green Landscaping** | **3,237** | **566** | **636** | **668** | **2,277** | **1,887** | **1,324** | **56.8** | **56.8** | **56.8** | | | |

*Source: ABGSC for GLG, company data, FactSet est. for peers, median used for peer groups*

### Recent operational uplift could change valuation perception

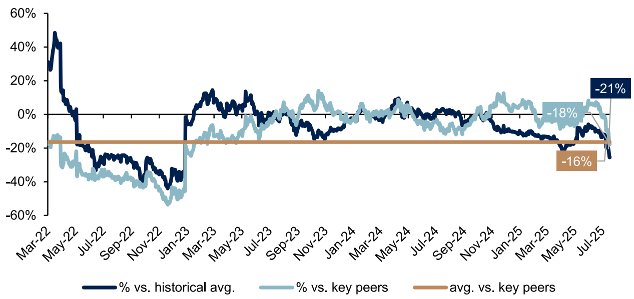
Using FactSet f12m EV/EBITA multiples, key peers are on average currently trading at 12x, vs. Green Landscaping at 10x (FactSet). If we then look at how Green Landscaping has traded historically since early 2020, the share is currently trading roughly in line with its own historical valuation (12x) and ~10% below key peers (c. 30% on average, c. 60% at the 'trough'). We argue that Green Landscaping has in 2021-2022 closed the gap in operational performance to said peers. Thus, we believe that the recent operational uplift, and future performance in line with key peers (ABGSCe) could potentially change the valuation perception of the stock as Green Landscaping gradually establishes a track record of rising margins. However, we acknowledge that near-term volatility in profitability and/or margins could potentially result in the stock maintaining its historical valuation pattern vs. peers.

### F12m EV/EBITA vs, peers




*Source: ABG Sundal Collier, FactSet*

### Relative F12m EV/EBITA vs. history and key peers




*Source: ABG Sundal Collier, FactSet, key peers incl. AFRY, Fasadgruppen, Instalco.*

## Focus on the long-term M&A potential

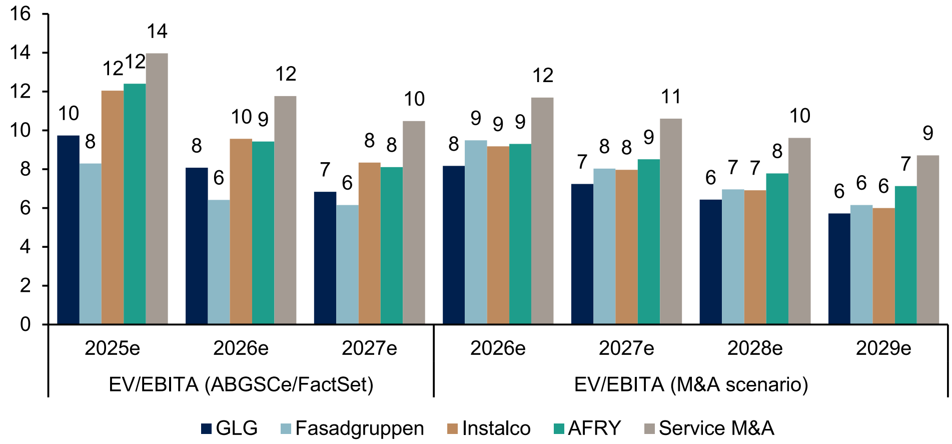
The key value driver for the serial acquirers is their ability to drive a solid pace of M&A activity by acquiring companies at low multiples with implicit high returns on capital, which thereafter continue to grow and generate cash flow that in turn is put into more M&A. Valuation multiples for these names therefore implicitly price in future M&A, but our official estimates do not include unannounced M&A activity. We therefore support our relative valuation with a 5-year M&A scenario, which will be further outlined below.

We expect all companies to maintain a high level of M&A and thereby reinvest all of their FCF after dividends into M&A. We do not assume any new equity issues, as we balance the level of M&A with each company's gearing levels. As shown below, both GLG and key peers should be able to steadily deleverage (not only on ND/EBITDA, but also on ND/EBITA) while maintaining a solid M&A pace.

Based on a combination of organic and acquired earnings growth, we believe Green Landscaping has the financial and managerial capability to drive a continued ~11% annual earnings growth for the next five years, similar to what we believe is manageable for key peers (15-20%). Assuming similar paid multiples for acquisitions (6x EV/EBITA), while taking into account the companies' historical differences in cash conversion as well as cash flow remaining after paid dividends, we estimate that Green Landscaping is currently trading at 10-6x EV/EBITA '25e-'29e in our M&A scenario. This is roughly in line with key peers that are, in our M&A scenario, trading at 14-6x EV/EBITA '25e-'29e on average.

By comparison, Green Landscaping's historical average trading multiple is c. 12x. If we assume that Green Landscaping were to trade in line with its historical multiple also in 2029e, this would imply an equity value per share of ~SEK 160 c. 180% above the current share price level. Should sentiment potentially change for the worse, we estimate that a 2029e EV/EBITA multiple of 6x would yield an equity value per share of ~SEK 60, c. -5% below the current share price. However, this scenario is five years out in time, which is why we derive a net present value based on a 2029e multiple range, which we will outline on the following page.

### ABGSC M&A scenario valuation




*Source: ABGSC, company data, assumes a '24-'29e EBITA CAGR of 17/16/10/10% for GLG/FG/INSTAL/ AFRY, 8% for service M&A. We do not assume any equity issues*

## M&A scenario valuation model

Up to 2029e, we apply a target multiple based on a ~15% discount up to a 5% premium vs. GLG's L5Y avg. multiple (~12x). We then apply a standard return requirement of 8%, which yields an equity value per share of SEK 68-95 when we try to capture GLG's long-term M&A growth potential, which can be compared to the current share price of ~SEK 60. Although we expect this theoretical M&A pace to become manageable without any need for new equity, the risk naturally exists that a varying pace, timing and magnitude of acquisitions could negatively impact GLG's near-term financial headroom, which could potentially hold back share sentiment. The implied 2025e EV/EBITA range on our official forecasts then becomes 9-12x, which can again be compared to key peers, currently trading at 10x 2025e EV/EBITA.

### ABGSC M&A scenario valuation model

| ABGSC M&A scenario valuation model | | | | | |
|---|---|---|---|---|---|
| Share price (SEK) | 57 | 31 | 28 | 154 | n.m. |
| **Adj. numbers*** | **GLG** | **Fasadgruppen** | **Instalco** | **AFRY** | **Service M&A** |
| **Earnings scenario** | | | | | |
| ***EBITA CAGR '19-'24*** | ***43%*** | ***17%*** | ***13%*** | ***16%*** | ***12%*** |
| *o/w organic+FX (ABGSCe)* | *-7%* | *-22%* | *-12%* | *11%* | *10%* |
| *o/w M&A* | *51%* | *39%* | *24%* | *4%* | *2%* |
| ***EBITA CAGR '24-'29e (ABGSCe)*** | ***15%*** | ***35%*** | ***14%*** | ***10%*** | ***10%*** |
| *o/w organic+FX* | *3%* | *0%* | *6%* | *4%* | *4%* |
| *o/w M&A* | *12%* | *35%* | *7%* | *6%* | *6%* |
| **Historical performance '19-'24** | | | | | |
| Adj. ROCE | 12% | 11% | 16% | 9% | 14% |
| FCF / EBITA (lease adj.) | 41% | 53% | 65% | 57% | 68% |
| Dividend / FCF -1y | 1% | 29% | 31% | 64% | 62% |
| **Assumptions '25e-'29e** | | | | | |
| EBITA multiple paid | 6x | 6x | 6x | 6x | 6x |
| FCF / EBITA (lease adj.) | 50% | 55% | 65% | 60% | 68% |
| Dividend / FCF -1y | 0% | 0% | 30% | 60% | 57% |
| **Gearing profile** | | | | | |
| ND/EBITA '25e | 4.1x | 7.1x | 3.4x | 2.9x | 1.8x |
| ND/EBITA '27e | 3.3x | 5.7x | 2.5x | 2.5x | 1.5x |
| ND/EBITA '29e | 2.7x | 4.9x | 1.7x | 2.2x | 1.2x |
| **EV/EBITA** | | | | | |
| 2025e | 9x | 11x | 11x | 10x | 13x |
| 2026e | 8x | 9x | 9x | 9x | 12x |
| 2027e | 7x | 8x | 8x | 9x | 11x |
| 2028e | 6x | 7x | 7x | 8x | 10x |
| 2029e | 6x | 6x | 6x | 7x | 9x |
| **Valuation approach** | **GLG** | **Fasadgruppen** | **Instalco** | **AFRY** | **Service M&A** |
| F12m EV/EBITA L5Y | 11.3x | 12.0x | 16.7x | 12.0x | 14.9x |
| **Target multiple 2029e vs. avg** | | | | | |
| -20% | 9.0x | 9.6x | 13.3x | 9.6x | 11.9x |
| -15% | 9.6x | 10.2x | 14.2x | 10.2x | 12.7x |
| -10% | 10.2x | 10.8x | 15.0x | 10.8x | 13.4x |
| -5% | 10.7x | 11.4x | 15.8x | 11.4x | 14.2x |
| 0% | 11.3x | 12.0x | 16.7x | 12.0x | 14.9x |
| 5% | 11.8x | 12.6x | 17.5x | 12.6x | 15.6x |
| Return requirement | 8% | | | | |
| **GLG NPV (% vs. historical mtp)** | **-15%** | **-10%** | **-5%** | **0%** | **5%** |
| **Equity value per share** | **68** | **75** | **81** | **88** | **95** |
| Implied 2025e EV/EBITA | 10.9x | 11.5x | 12.2x | 12.8x | 13.5x |

*Source: ABGSC, company data*

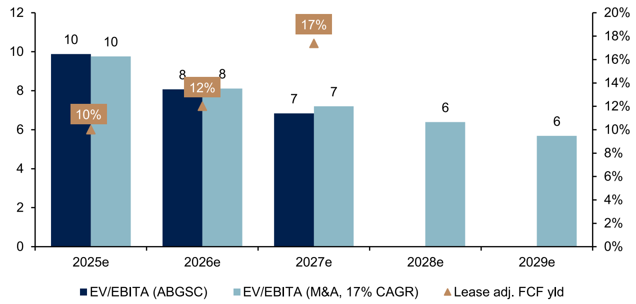
## Fair value range of SEK 56-95

To conclude, we argue that Green Landscaping has delivered strong sales and earnings growth vs. key peers, but has underperformed key peers historically when it comes to profitability. However, recent years marked a clear improvement, and we expect an operational performance for 2025e-2027e well in line with key peers. Thus, we argue that the two main approaches when it comes to valuation should be on an EV/EBITA multiple basis compared to peers in 2025e-2027e as well as a longer-term M&A scenario valuation that captures the longer-term earnings growth potential.

Assuming a valuation either 15% below, to 15% above, peers (since future performance should also be on par with peers), we derive an equity value per share of SEK 56-86. In the longer term, provided that Green Landscaping is able to obtain positive organic earnings growth from acquired units as well as solid cash flow, our longer-term M&A valuation approach yields an NPV range of SEK 68-95. To conclude, we arrive at a fair value range per share of SEK 56-95.

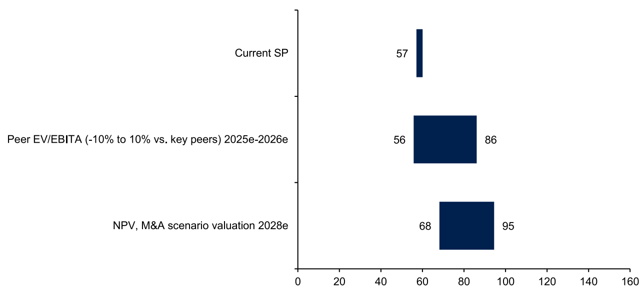
Finally, we believe that key risks relate to M&A execution, performance of acquired units post-acquisition, and working capital discipline, which in turn dictates the degree of cash flow available for future M&A. Although Green Landscaping's addressable markets have historically been resilient to macroeconomic fluctuations, and are steadily growing, a continued rise in cost inflation combined with heightened competition for tenders could also adversely impact Green Landscaping's future earnings growth potential.

### ABGSC M&A scenario valuation




*Source: ABG Sundal Collier, company data*

### Estimated fair value range (SEK)




*Source: ABG Sundal Collier, company data, FactSet*

# Detailed financials

## Quarterly overview

### ABG Sundal Collier, company data

| Quarterly SEKm | Q1'23 | Q2'23 | Q3'23 | Q4'23 | Q1'24 | Q2'24 | Q3'24 | Q4'24 | Q1'25 | Q2'25 | Q3'25e | Q4'25e |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Net sales** | **1,250** | **1,495** | **1,430** | **1,656** | **1,383** | **1,657** | **1,539** | **1,774** | **1,223** | **1,610** | **1,614** | **1,933** |
| **Adj. EBITA (ABGSCe)** | **86** | **141** | **129** | **165** | **92** | **150** | **137** | **169** | **44** | **149** | **155** | **219** |
| ABGSCe IAC (acq cost, etc) | 0 | -3 | -1 | -6 | -2 | -7 | -7 | -5 | -4 | -4 | 0 | 0 |
| **EBITA** | **86** | **138** | **128** | **159** | **90** | **143** | **130** | **164** | **40** | **145** | **155** | **219** |
| PPA amortisation | -30 | -30 | -31 | -27 | -25 | -24 | -26 | -33 | -27 | -24 | -33 | -33 |
| **EBIT** | **56** | **108** | **97** | **132** | **65** | **119** | **104** | **131** | **13** | **121** | **122** | **186** |
| Net financials | -11 | -56 | -31 | -5 | -35 | -40 | -31 | -42 | -38 | -36 | -28 | -26 |
| **PTP** | **45** | **53** | **67** | **127** | **30** | **79** | **73** | **89** | **-25** | **85** | **94** | **160** |
| Taxes | -11 | -14 | -19 | -32 | -8 | -21 | -19 | -27 | 6 | -20 | -23 | -40 |
| NCI, disc | 0 | 0 | -1 | -1 | 0 | 0 | 0 | -1 | 0 | 0 | 0 | 0 |
| **Net profit** | **34** | **39** | **48** | **94** | **22** | **59** | **54** | **61** | **-19** | **65** | **70** | **120** |
| **Growth and margins** | **Q1'23** | **Q2'23** | **Q3'23** | **Q4'23** | **Q1'24** | **Q2'24** | **Q3'24** | **Q4'24** | **Q1'25** | **Q2'25** | **Q3'25e** | **Q4'25e** |
| **Sales growth** | **43%** | **32%** | **22%** | **2%** | **11%** | **11%** | **8%** | **7%** | **-12%** | **-3%** | **5%** | **9%** |
| Organic | 12% | 4% | 0% | -6% | 8% | 5% | 3% | -6% | -18% | -9% | 1% | 4% |
| FX | -2% | 0% | -1% | -2% | -1% | 0% | 0% | 2% | 2% | 2% | -2% | -3% |
| Structure | 33% | 28% | 23% | 10% | 4% | 6% | 5% | 11% | 4% | 4% | 6% | 8% |
| **Adj. EBITA growth** | **34%** | **52%** | **36%** | **-6%** | **7%** | **7%** | **6%** | **2%** | **-52%** | **-1%** | **13%** | **29%** |
| **Adj. EBITA margin** | **6.9%** | **9.4%** | **9.0%** | **10.0%** | **6.7%** | **9.1%** | **8.9%** | **9.5%** | **3.6%** | **9.3%** | **9.6%** | **11.3%** |
| **EBITA margin** | **6.9%** | **9.2%** | **9.0%** | **9.6%** | **6.5%** | **8.7%** | **8.4%** | **9.2%** | **3.3%** | **9.0%** | **9.6%** | **11.3%** |
| EBIT margin | 4.5% | 7.2% | 6.8% | 8.0% | 4.7% | 7.2% | 6.8% | 7.4% | 1.1% | 7.5% | 7.6% | 9.6% |
| **Sales per segment** | **Q1'23** | **Q2'23** | **Q3'23** | **Q4'23** | **Q1'24** | **Q2'24** | **Q3'24** | **Q4'24** | **Q1'25** | **Q2'25** | **Q3'25e** | **Q4'25e** |
| Sweden | 703 | 725 | 610 | 800 | 729 | 707 | 621 | 670 | 582 | 644 | 640 | 704 |
| Norway | 500 | 608 | 598 | 679 | 549 | 683 | 605 | 770 | 449 | 636 | 563 | 763 |
| Rest of Europe | 47 | 162 | 222 | 179 | 105 | 268 | 314 | 333 | 195 | 333 | 412 | 467 |
| Central/corporate | 0 | 0 | 0 | -2 | 1 | -1 | -1 | 1 | -3 | -3 | 0 | 0 |
| **Group** | **1,250** | **1,495** | **1,430** | **1,656** | **1,383** | **1,657** | **1,539** | **1,774** | **1,223** | **1,610** | **1,614** | **1,933** |
| **EBITA per segment** | **Q1'23** | **Q2'23** | **Q3'23** | **Q4'23** | **Q1'24** | **Q2'24** | **Q3'24** | **Q4'24** | **Q1'25** | **Q2'25** | **Q3'25e** | **Q4'25e** |
| Sweden | 57 | 39 | 21 | 57 | 59 | 40 | 17 | 21 | 36 | 36 | 38 | 53 |
| Norway | 37 | 66 | 57 | 82 | 48 | 61 | 59 | 89 | -8 | 53 | 53 | 90 |
| Rest of Europe | -5 | 44 | 56 | 45 | -7 | 59 | 69 | 70 | 23 | 65 | 74 | 86 |
| Central/corporate | -3 | -11 | -6 | -25 | -10 | -17 | -15 | -16 | -11 | -9 | -11 | -11 |
| **Group** | **86** | **138** | **128** | **159** | **90** | **143** | **130** | **164** | **40** | **145** | **155** | **219** |
| **Margins per segment** | **Q1'23** | **Q2'23** | **Q3'23** | **Q4'23** | **Q1'24** | **Q2'24** | **Q3'24** | **Q4'24** | **Q1'25** | **Q2'25** | **Q3'25e** | **Q4'25e** |
| Sweden | 8.1% | 5.4% | 3.4% | 7.1% | 8.1% | 5.7% | 2.7% | 3.1% | 6.2% | 5.6% | 6.0% | 7.6% |
| Norway | 7.4% | 10.9% | 9.5% | 12.0% | 8.8% | 8.9% | 9.8% | 11.6% | -1.8% | 8.3% | 9.5% | 11.8% |
| Rest of Europe | -9.8% | 27.2% | 25.2% | 25.3% | -6.6% | 22.1% | 22.0% | 21.0% | 11.8% | 19.5% | 18.0% | 18.5% |
| **Group** | **6.9%** | **9.2%** | **9.0%** | **9.6%** | **6.5%** | **8.7%** | **8.4%** | **9.2%** | **3.3%** | **9.0%** | **9.6%** | **11.3%** |

*Source: ABG Sundal Collier, company data*

## Annual overview

| Annual<br>SEKm | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net sales** | **1,176** | **1,992** | **2,113** | **3,139** | **4,810** | **5,831** | **6,353** | **6,381** | **6,820** | **7,097** |
| **Adj. EBITA (ABGSCe)** | **60** | **90** | **109** | **244** | **427** | **521** | **548** | **566** | **636** | **668** |
| ABGSCe IAC (acq cost, etc) | -42 | -33 | -8 | -12 | -19 | -10 | -21 | -8 | 0 | 0 |
| **EBITA** | **18** | **57** | **101** | **232** | **408** | **511** | **527** | **558** | **636** | **668** |
| PPA amortisation | -14 | -29 | -43 | -76 | -100 | -117 | -108 | -117 | -132 | -132 |
| **EBIT** | **4** | **29** | **59** | **156** | **308** | **394** | **419** | **441** | **504** | **536** |
| Net financials | -16 | -19 | -9 | -34 | -58 | -102 | -148 | -128 | -81 | -45 |
| **PTP** | **-12** | **9** | **49** | **122** | **250** | **292** | **271** | **313** | **423** | **491** |
| Taxes | 6 | -2 | -12 | -30 | -67 | -76 | -75 | -77 | -106 | -123 |
| NCI, disc | 0 | 0 | 0 | 0 | 0 | -2 | -1 | 0 | 0 | 0 |
| **Net profit** | **-6** | **7** | **37** | **92** | **183** | **215** | **196** | **236** | **317** | **368** |
| **Growth and margins** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025e** | **2026e** | **2027e** |
| **Sales growth** | **48%** | **69%** | **6%** | **49%** | **53%** | **21%** | **9%** | **0%** | **7%** | **4%** |
| Organic | 8% | 2% | -6% | 13% | 9% | 1% | 2% | -5% | 5% | 4% |
| FX | 0% | 0% | 0% | 1% | 2% | -1% | 0% | 0% | 0% | 0% |
| Structure | 40% | 68% | 12% | 35% | 43% | 21% | 7% | 6% | 2% | 0% |
| **Adj. EBITA growth** | **50%** | **51%** | **21%** | **124%** | **75%** | **22%** | **5%** | **3%** | **12%** | **5%** |
| **Adj. EBITA margin** | **5.1%** | **4.5%** | **5.1%** | **7.8%** | **8.9%** | **8.9%** | **8.6%** | **8.9%** | **9.3%** | **9.4%** |
| **EBITA margin** | **1.5%** | **2.9%** | **4.8%** | **7.4%** | **8.5%** | **8.8%** | **8.3%** | **8.8%** | **9.3%** | **9.4%** |
| EBIT margin | 0.3% | 1.4% | 2.8% | 5.0% | 6.4% | 6.8% | 6.6% | 6.9% | 7.4% | 7.5% |
| **Sales per segment** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025e** | **2026e** | **2027e** |
| Sweden | 1,216 | 2,042 | 2,239 | 2,311 | 2,742 | 2,838 | 2,727 | 2,569 | 2,698 | 2,805 |
| Norway | | | | 773 | 1,851 | 2,385 | 2,607 | 2,411 | 2,546 | 2,648 |
| Rest of Europe | | | | 65 | 227 | 610 | 1,020 | 1,407 | 1,576 | 1,644 |
| Central/corporate | -40 | -50 | -126 | -10 | -10 | -2 | -1 | -6 | 0 | 0 |
| **Group** | **1,176** | **1,992** | **2,113** | **3,139** | **4,810** | **5,831** | **6,353** | **6,381** | **6,820** | **7,097** |
| **EBITA per segment** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025e** | **2026e** | **2027e** |
| Sweden | 55 | 90 | 111 | 105 | 191 | 174 | 137 | 164 | 193 | 215 |
| Norway | | | | 124 | 249 | 242 | 257 | 188 | 218 | 231 |
| Rest of Europe | | | | 10 | 23 | 141 | 191 | 249 | 271 | 274 |
| Central/corporate | -37 | -33 | -10 | -7 | -55 | -45 | -58 | -42 | -46 | -52 |
| **Group** | **18** | **57** | **101** | **232** | **408** | **511** | **527** | **558** | **636** | **668** |
| **Margins per segment** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025e** | **2026e** | **2027e** |
| Sweden | 4.5% | 4.4% | 5.0% | 4.6% | 7.0% | 6.1% | 5.0% | 6.4% | 7.1% | 7.7% |
| Norway | n.a. | n.a. | n.a. | 16.1% | 13.4% | 10.1% | 9.9% | 7.8% | 8.6% | 8.7% |
| Rest of Europe | n.a. | n.a. | n.a. | 15.0% | 10.1% | 23.1% | 18.8% | 17.7% | 17.2% | 16.7% |
| **Group** | **1.5%** | **2.9%** | **4.8%** | **7.4%** | **8.5%** | **8.8%** | **8.3%** | **8.8%** | **9.3%** | **9.4%** |

*Source: ABG Sundal Collier, company data*

| Income Statement (SEKm) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| Sales | 1,176 | 1,992 | 2,113 | 3,139 | 4,810 | 5,831 | 6,353 | 6,381 | 6,820 | 7,097 |
| COGS | -587 | -851 | -892 | -1,395 | -2,263 | -2,624 | -2,829 | -2,636 | -2,937 | -3,046 |
| Gross profit | 590 | 1,142 | 1,221 | 1,744 | 2,547 | 3,208 | 3,524 | 3,744 | 3,883 | 4,051 |
| Other operating items | -534 | -978 | -1,019 | -1,400 | -1,978 | -2,469 | -2,723 | -2,887 | -2,933 | -3,053 |
| **EBITDA** | **55** | **164** | **201** | **345** | **569** | **739** | **801** | **857** | **950** | **998** |
| Depreciation and amortisation | -37 | -107 | -100 | -113 | -161 | -228 | -274 | -299 | -315 | -331 |
| of which leasing depreciation | 0 | -86 | -74 | -80 | -107 | -161 | -161 | -167 | -179 | -191 |
| **EBITA** | **18** | **57** | **101** | **231** | **408** | **511** | **527** | **558** | **636** | **668** |
| EO Items | -42 | -33 | -8 | -12 | -19 | -10 | -21 | -8 | 0 | 0 |
| Impairment and PPA amortisation | -14 | -29 | -43 | -76 | -100 | -117 | -108 | -117 | -132 | -132 |
| **EBIT** | **4** | **29** | **59** | **156** | **308** | **394** | **419** | **441** | **504** | **536** |
| Net financial items | -16 | -19 | -9 | -34 | -58 | -102 | -148 | -128 | -81 | -45 |
| **Pretax profit** | **-12** | **9** | **49** | **122** | **250** | **292** | **271** | **313** | **423** | **491** |
| Tax | 6 | -2 | -12 | -30 | -67 | -76 | -75 | -77 | -106 | -123 |
| **Net profit** | **-6** | **7** | **37** | **92** | **183** | **216** | **197** | **236** | **317** | **368** |
| Minority interest | 0 | 0 | 0 | 0 | 0 | -2 | -1 | 0 | 0 | 0 |
| Net profit discontinued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Net profit to shareholders** | **-6** | **7** | **37** | **92** | **183** | **215** | **196** | **236** | **317** | **368** |
| EPS | -0.04 | 0.04 | 0.18 | 1.82 | 3.40 | 3.78 | 3.44 | 4.16 | 5.58 | 6.48 |
| EPS adj. | 0.14 | 0.30 | 0.36 | 3.12 | 5.02 | 5.45 | 5.09 | 5.81 | 7.32 | 8.22 |
| Total extraordinary items after tax | -20 | -25 | -6 | -9 | -14 | -7 | -15 | -6 | 0 | 0 |
| Leasing payments | 0 | -86 | -74 | -80 | -107 | -161 | -161 | -167 | -179 | -191 |
| *Tax rate (%)* | *52.9* | *24.5* | *24.1* | *24.6* | *26.8* | *25.9* | *27.5* | *24.7* | *25.0* | *25.0* |
| *Gross margin (%)* | *50.1* | *57.3* | *57.8* | *55.6* | *53.0* | *55.0* | *55.5* | *58.7* | *56.9* | *57.1* |
| *EBITDA margin (%)* | *4.7* | *8.2* | *9.5* | *11.0* | *11.8* | *12.7* | *12.6* | *13.4* | *13.9* | *14.1* |
| *EBITA margin (%)* | *1.5* | *2.9* | *4.8* | *7.4* | *8.5* | *8.8* | *8.3* | *8.8* | *9.3* | *9.4* |
| *EBIT margin (%)* | *0.3* | *1.4* | *2.8* | *5.0* | *6.4* | *6.8* | *6.6* | *6.9* | *7.4* | *7.5* |
| *Pre-tax margin (%)* | *-1.0* | *0.5* | *2.3* | *3.9* | *5.2* | *5.0* | *4.3* | *4.9* | *6.2* | *6.9* |
| *Net margin (%)* | *-0.5* | *0.4* | *1.8* | *2.9* | *3.8* | *3.7* | *3.1* | *3.7* | *4.6* | *5.2* |
| **Growth Rates y-o-y** | - | - | - | - | - | - | - | - | - | - |
| *Sales growth (%)* | *47.6* | *69.4* | *6.1* | *48.6* | *53.2* | *21.2* | *9.0* | *0.4* | *6.9* | *4.1* |
| *EBITDA growth (%)* | *-1.0* | *195.8* | *22.8* | *71.2* | *65.1* | *29.9* | *8.4* | *6.9* | *10.9* | *5.1* |
| *EBITA growth (%)* | *-39.9* | *218.3* | *76.4* | *128.9* | *76.3* | *25.2* | *3.2* | *5.9* | *13.8* | *5.1* |
| *EBIT growth (%)* | *-78.2* | *nm* | *nm* | *nm* | *98.1* | *27.6* | *6.5* | *5.4* | *14.1* | *6.4* |
| *Net profit growth (%)* | *48.2* | *-224.6* | *426.8* | *146.3* | *99.1* | *17.8* | *-9.0* | *20.2* | *34.2* | *16.1* |
| *EPS growth (%)* | *--* | *nm* | *nm* | *nm* | *87.5* | *11.2* | *-9.1* | *20.8* | *34.2* | *16.1* |
| **Profitability** | - | - | - | - | - | - | - | - | - | - |
| *ROE (%)* | *-4.8* | *3.4* | *10.9* | *13.5* | *16.7* | *15.4* | *12.4* | *13.2* | *15.4* | *15.3* |
| *ROE adj. (%)* | *23.9* | *28.7* | *25.0* | *25.9* | *27.0* | *24.4* | *20.3* | *20.2* | *21.8* | *20.8* |
| *ROCE (%)* | *0.7* | *3.2* | *4.9* | *8.1* | *10.0* | *10.0* | *9.4* | *8.9* | *10.1* | *11.1* |
| *ROCE adj. (%)* | *11.4* | *10.0* | *9.1* | *12.7* | *13.8* | *13.3* | *12.3* | *11.5* | *12.7* | *13.9* |
| *ROIC (%)* | *1.8* | *5.2* | *6.8* | *10.3* | *11.1* | *10.9* | *9.8* | *10.0* | *11.2* | *12.2* |
| *ROIC adj. (%)* | *6.1* | *8.2* | *7.3* | *10.8* | *11.7* | *11.1* | *10.2* | *10.1* | *11.2* | *12.2* |
| **Adj. earnings numbers** | - | - | - | - | - | - | - | - | - | - |
| EBITDA adj. | 97 | 197 | 209 | 357 | 588 | 749 | 822 | 865 | 950 | 998 |
| *EBITDA adj. margin (%)* | *8.3* | *9.9* | *9.9* | *11.4* | *12.2* | *12.8* | *12.9* | *13.6* | *13.9* | *14.1* |
| EBITDA lease adj. | 97 | 111 | 135 | 277 | 481 | 588 | 661 | 698 | 771 | 807 |
| *EBITDA lease adj. margin (%)* | *8.3* | *5.6* | *6.4* | *8.8* | *10.0* | *10.1* | *10.4* | *10.9* | *11.3* | *11.4* |
| EBITA adj. | 60 | 90 | 109 | 243 | 427 | 521 | 548 | 566 | 636 | 668 |
| *EBITA adj. margin (%)* | *5.1* | *4.5* | *5.1* | *7.8* | *8.9* | *8.9* | *8.6* | *8.9* | *9.3* | *9.4* |
| EBIT adj. | 46 | 62 | 66 | 168 | 327 | 404 | 440 | 449 | 504 | 536 |
| *EBIT adj. margin (%)* | *3.9* | *3.1* | *3.1* | *5.3* | *6.8* | *6.9* | *6.9* | *7.0* | *7.4* | *7.5* |
| Pretax profit Adj. | 44 | 71 | 100 | 210 | 369 | 419 | 400 | 438 | 555 | 623 |
| Net profit Adj. | 28 | 61 | 86 | 177 | 297 | 341 | 320 | 359 | 449 | 500 |
| Net profit to shareholders adj. | 28 | 61 | 86 | 177 | 297 | 339 | 319 | 359 | 449 | 500 |
| *Net adj. margin (%)* | *2.4* | *3.0* | *4.1* | *5.6* | *6.2* | *5.8* | *5.0* | *5.6* | *6.6* | *7.0* |

*Source: ABG Sundal Collier, Company Data*

| Cash Flow (SEKm) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| EBITDA | 55 | 164 | 201 | 345 | 569 | 739 | 801 | 857 | 950 | 998 |
| Net financial items | -16 | -19 | -9 | -34 | -58 | -102 | -148 | -128 | -81 | -45 |
| Paid tax | -3 | -11 | 1 | -42 | -82 | -102 | -94 | -77 | -106 | -123 |
| Non-cash items | -7 | -4 | -7 | -2 | 8 | -13 | -15 | 0 | 0 | 0 |
| Cash flow before change in WC | 30 | 130 | 186 | 267 | 437 | 522 | 544 | 652 | 763 | 831 |
| Change in working capital | -27 | -31 | 7 | -93 | -6 | -143 | 57 | 4 | -17 | 101 |

| Cash Flow (SEKm) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| **Operating cash flow** | **3** | **98** | **193** | **174** | **431** | **379** | **601** | **656** | **747** | **931** |
| Capex tangible fixed assets | -45 | -16 | -47 | -21 | -80 | -59 | -67 | -115 | -130 | -135 |
| Capex intangible fixed assets | -3 | -7 | -7 | -11 | -3 | -1 | -1 | -7 | -8 | -8 |
| Acquisitions and Disposals | -213 | -15 | -364 | -433 | -728 | -220 | -327 | -256 | -26 | 0 |
| **Free cash flow** | **-257** | **60** | **-226** | **-291** | **-380** | **100** | **206** | **278** | **583** | **789** |
| Dividend paid | 0 | 0 | 0 | 0 | 0 | 0 | -6 | 0 | 0 | 0 |
| Share issues and buybacks | 75 | 0 | 149 | 163 | -15 | 4 | -58 | 0 | 0 | 0 |
| Leasing liability amortisation | 0 | -87 | -77 | -103 | -137 | -188 | -206 | -210 | -220 | -225 |
| Other non-cash items | -203 | -129 | -132 | 31 | -529 | -123 | -364 | 26 | 26 | 0 |

| Balance Sheet (SEKm) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| Goodwill | 419 | 436 | 748 | 1,130 | 1,771 | 1,888 | 2,192 | 2,330 | 2,330 | 2,330 |
| Other intangible assets | 139 | 130 | 230 | 364 | 618 | 538 | 564 | 477 | 353 | 229 |
| Tangible fixed assets | 187 | 74 | 200 | 259 | 322 | 368 | 469 | 521 | 515 | 511 |
| Right-of-use asset | 0 | 236 | 184 | 267 | 558 | 653 | 722 | 765 | 806 | 840 |
| Total other fixed assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fixed assets | 744 | 876 | 1,363 | 2,020 | 3,269 | 3,447 | 3,947 | 4,093 | 4,004 | 3,910 |
| Inventories | 24 | 26 | 28 | 39 | 67 | 80 | 87 | 87 | 93 | 97 |
| Receivables | 372 | 347 | 433 | 722 | 1,083 | 1,202 | 1,083 | 1,161 | 1,194 | 1,206 |
| Other current assets | 42 | 71 | 72 | 39 | 128 | 220 | 235 | 287 | 273 | 284 |
| Cash and liquid assets | 96 | 45 | 95 | 352 | 476 | 416 | 688 | 756 | 719 | 683 |
| **Total assets** | **1,278** | **1,365** | **1,991** | **3,171** | **5,023** | **5,364** | **6,041** | **6,385** | **6,283** | **6,180** |
| Shareholders equity | 203 | 219 | 468 | 896 | 1,301 | 1,479 | 1,664 | 1,900 | 2,217 | 2,585 |
| Minority | 0 | 0 | 0 | 0 | 36 | 34 | 19 | 19 | 19 | 19 |
| **Total equity** | **203** | **219** | **468** | **896** | **1,337** | **1,513** | **1,683** | **1,919** | **2,236** | **2,604** |
| Long-term debt | 454 | 430 | 568 | 1,043 | 1,747 | 1,756 | 2,149 | 2,149 | 1,749 | 1,149 |
| Pension debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Convertible debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Leasing liability | 113 | 233 | 185 | 266 | 445 | 539 | 635 | 635 | 635 | 635 |
| Total other long-term liabilities | 39 | 56 | 144 | 82 | 302 | 361 | 462 | 462 | 462 | 462 |
| Short-term debt | 77 | 68 | 225 | 189 | 270 | 254 | 364 | 338 | 312 | 312 |
| Accounts payable | 170 | 161 | 173 | 226 | 370 | 393 | 314 | 440 | 436 | 497 |
| Other current liabilities | 223 | 198 | 227 | 470 | 553 | 548 | 434 | 442 | 453 | 521 |
| **Total liabilities and equity** | **1,278** | **1,365** | **1,991** | **3,171** | **5,023** | **5,364** | **6,041** | **6,385** | **6,283** | **6,180** |
| Net IB debt | 547 | 685 | 883 | 1,146 | 1,986 | 2,133 | 2,460 | 2,366 | 1,976 | 1,413 |
| Net IB debt excl. pension debt | 547 | 685 | 883 | 1,146 | 1,986 | 2,133 | 2,460 | 2,366 | 1,976 | 1,413 |
| Net IB debt excl. leasing | 434 | 453 | 697 | 880 | 1,541 | 1,594 | 1,825 | 1,731 | 1,341 | 778 |
| Capital employed | 846 | 949 | 1,447 | 2,393 | 3,799 | 4,062 | 4,831 | 5,041 | 4,932 | 4,700 |
| Capital invested | 750 | 905 | 1,351 | 2,041 | 3,322 | 3,646 | 4,143 | 4,285 | 4,213 | 4,017 |
| Working capital | 45 | 85 | 133 | 103 | 356 | 560 | 658 | 654 | 670 | 569 |
| **EV breakdown** | - | - | - | - | - | - | - | - | - | - |
| Market cap. diluted (m) | 8,978 | 11,023 | 12,785 | 3,089 | 3,281 | 3,451 | 3,459 | 3,459 | 3,459 | 3,459 |
| Net IB debt adj. | 547 | 685 | 883 | 1,146 | 1,986 | 2,133 | 2,460 | 2,366 | 1,976 | 1,413 |
| Market value of minority | 0 | 0 | 0 | 0 | 36 | 34 | 19 | 19 | 19 | 19 |
| Reversal of shares and participations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reversal of conv. debt assumed equity | - | - | - | - | - | - | - | - | - | - |
| **EV** | **9,524** | **11,708** | **13,668** | **4,234** | **5,302** | **5,618** | **5,938** | **5,844** | **5,455** | **4,891** |
| Total assets turnover (%) | 125.8 | 150.8 | 125.9 | 121.6 | 117.4 | 112.3 | 111.4 | 102.7 | 107.7 | 113.9 |
| Working capital/sales (%) | 0.1 | 3.3 | 5.1 | 3.8 | 4.8 | 7.9 | 9.6 | 10.3 | 9.7 | 8.7 |
| **Financial risk and debt service** | - | - | - | - | - | - | - | - | - | - |
| Net debt/equity (%) | 269.7 | 312.5 | 188.5 | 127.9 | 148.5 | 141.0 | 146.2 | 123.3 | 88.4 | 54.3 |
| Net debt / market cap (%) | 6.1 | 6.2 | 6.9 | 37.1 | 60.5 | 61.8 | 71.1 | 68.4 | 57.1 | 40.8 |
| Equity ratio (%) | 15.9 | 16.1 | 23.5 | 28.2 | 26.6 | 28.2 | 27.9 | 30.1 | 35.6 | 42.1 |
| Net IB debt adj. / equity (%) | 269.7 | 312.5 | 188.5 | 127.9 | 148.5 | 141.0 | 146.2 | 123.3 | 88.4 | 54.3 |
| Current ratio | 1.14 | 1.14 | 1.00 | 1.30 | 1.47 | 1.60 | 1.88 | 1.88 | 1.90 | 1.71 |
| EBITDA/net interest | 3.5 | 8.5 | 21.9 | 10.3 | 9.8 | 7.2 | 5.4 | 6.7 | 11.7 | 22.2 |
| Net IB debt/EBITDA (x) | 9.9 | 4.2 | 4.4 | 3.3 | 3.5 | 2.9 | 3.1 | 2.8 | 2.1 | 1.4 |
| Net IB debt/EBITDA lease adj. (x) | 4.5 | 4.1 | 5.2 | 3.2 | 3.2 | 2.7 | 2.8 | 2.5 | 1.7 | 1.0 |
| Interest coverage | 1.1 | 3.0 | 11.0 | 6.9 | 7.0 | 5.0 | 3.6 | 4.4 | 7.8 | 14.8 |

*Source: ABG Sundal Collier, Company Data*

| Share Data (SEKm) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| Actual shares outstanding | 29 | 36 | 42 | 51 | 54 | 57 | 57 | 57 | 57 | 57 |
| Actual shares outstanding (avg) | 29 | 36 | 42 | 51 | 54 | 57 | 57 | 57 | 57 | 57 |

| Share Data (SEKm) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| All additional shares | - | - | - | - | - | - | - | - | - | - |
| Issue month | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assumed dil. of shares from conv. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| As. dil. of shares from conv. (avg) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Conv. debt not assumed as equity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| No. of warrants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Market value per warrant | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dilution from warrants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Issue factor | 5.0 | 5.0 | 5.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Actual dividend per share | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Reported earnings per share | -0.19 | 0.20 | 0.89 | 1.81 | 3.41 | 3.78 | 3.44 | 4.16 | 5.58 | 6.48 |

*Source: ABG Sundal Collier, Company Data*

| Valuation and Ratios (SEKm) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e |
|---|---|---|---|---|---|---|---|---|---|---|
| Shares outstanding adj. | 147 | 181 | 210 | 51 | 54 | 57 | 57 | 57 | 57 | 57 |
| Diluted shares adj. | 147 | 181 | 210 | 51 | 54 | 57 | 57 | 57 | 57 | 57 |
| EPS | -0.04 | 0.04 | 0.18 | 1.82 | 3.40 | 3.78 | 3.44 | 4.16 | 5.58 | 6.48 |
| Dividend per share | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| EPS adj. | 0.14 | 0.30 | 0.36 | 3.12 | 5.02 | 5.45 | 5.09 | 5.81 | 7.32 | 8.22 |
| BVPS | 1.38 | 1.21 | 2.23 | 17.66 | 24.15 | 26.10 | 29.30 | 33.45 | 39.03 | 45.51 |
| BVPS adj. | -2.41 | -1.92 | -2.43 | -11.79 | -20.20 | -16.71 | -19.23 | -15.97 | -8.20 | 0.46 |
| Net IB debt/share | 3.71 | 3.79 | 4.21 | 22.58 | 36.86 | 37.64 | 43.31 | 41.65 | 34.80 | 24.87 |
| Share price | 60.90 | 60.90 | 60.90 | 60.90 | 60.90 | 60.90 | 60.90 | 60.90 | 60.90 | 60.90 |
| Market cap. (m) | 8,978 | 11,023 | 12,785 | 3,089 | 3,281 | 3,451 | 3,459 | 3,459 | 3,459 | 3,459 |
| **Valuation** | - | - | - | - | - | - | - | - | - | - |
| P/E (x) | nm | nm | nm | 33.5 | 17.9 | 16.1 | 17.7 | 14.7 | 10.9 | 9.4 |
| EV/sales (x) | 8.1 | 5.9 | 6.5 | 1.3 | 1.1 | 1.0 | 0.9 | 0.9 | 0.8 | 0.7 |
| EV/EBITDA (x) | 171.9 | 71.4 | 67.9 | 12.3 | 9.3 | 7.6 | 7.4 | 6.8 | 5.7 | 4.9 |
| EV/EBITA (x) | 529.1 | 204.3 | 135.2 | 18.3 | 13.0 | 11.0 | 11.3 | 10.5 | 8.6 | 7.3 |
| EV/EBIT (x) | 2,574.2 | 408.0 | 233.6 | 27.2 | 17.2 | 14.3 | 14.2 | 13.2 | 10.8 | 9.1 |
| Dividend yield (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| FCF yield (%) | -2.9 | 0.5 | -1.8 | -9.4 | -11.6 | 2.9 | 6.0 | 8.0 | 16.9 | 22.8 |
| Le. adj. FCF yld. (%) | -2.9 | -0.2 | -2.4 | -12.8 | -15.8 | -2.5 | 0.0 | 2.0 | 10.5 | 16.3 |
| P/BVPS (x) | 44.27 | 50.26 | 27.29 | 3.45 | 2.52 | 2.33 | 2.08 | 1.82 | 1.56 | 1.34 |
| P/BVPS adj. (x) | -25.32 | -31.75 | -25.05 | -5.16 | -3.02 | -3.64 | -3.17 | -3.81 | -7.42 | 132.51 |
| P/E adj. (x) | nm | nm | nm | 19.5 | 12.1 | 11.2 | 12.0 | 10.5 | 8.3 | 7.4 |
| EV/EBITDA adj. (x) | 97.9 | 59.5 | 65.4 | 11.9 | 9.0 | 7.5 | 7.2 | 6.8 | 5.7 | 4.9 |
| EV/EBITA adj. (x) | 159.0 | 129.8 | 125.6 | 17.4 | 12.4 | 10.8 | 10.8 | 10.3 | 8.6 | 7.3 |
| EV/EBIT adj. (x) | 208.9 | 190.1 | 206.5 | 25.3 | 16.2 | 13.9 | 13.5 | 13.0 | 10.8 | 9.1 |
| EV/CE (x) | 11.3 | 12.3 | 9.4 | 1.8 | 1.4 | 1.4 | 1.2 | 1.2 | 1.1 | 1.0 |
| **Investment ratios** | - | - | - | - | - | - | - | - | - | - |
| Capex/sales (%) | 4.1 | 1.1 | 2.6 | 1.0 | 1.7 | 1.0 | 1.1 | 1.9 | 2.0 | 2.0 |
| Capex/depreciation | 1.3 | 1.1 | 2.1 | 0.9 | 1.5 | 0.9 | 0.6 | 0.9 | 1.0 | 1.0 |
| Capex tangibles / tangible fixed assets | 24.1 | 21.7 | 23.7 | 8.1 | 24.8 | 16.0 | 14.3 | 22.0 | 25.1 | 26.4 |
| Capex intangibles / definite intangibles | 2.1 | 5.2 | 3.1 | 3.0 | 0.5 | 0.2 | 0.2 | 1.5 | 2.3 | 3.5 |
| Depreciation on intang / def. intang | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Depreciation on tangibles / tangibles | 20.0 | 27.6 | 13.0 | 13.0 | 16.8 | 18.2 | 24.1 | 25.2 | 26.3 | 27.3 |

*Source: ABG Sundal Collier, Company Data*

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