

GREENGOLD
Q3/2024 Update

HIGHLIGHTS OF THE QUARTER

- Acquired 248 ha of forest properties in Q3/2024, in Finland and Baltic countries, bringing the total area to 77.1 thousand ha as at September 30, 2024.
- Total standing forest inventory (SFI) at the end of Q3/2024 was 20.1 million m^3.
- Harvested volume of 90 thousand m^3 - significantly lower harvesting volumes, compared with same period last year (158 thousand m^3 last year), which were high in historic perspective. Stumpage prices also somewhat lower.
- Adjusted EBITDA amounted to EUR 2.5 million (EUR 4.8 million), mainly driven by the lower volumes.
- Free cash flow was also lower because maintenance CAPEX was relatively higher in Q3/2024 compared with same period last year.
- Fair value of Forest Assets increased by about 1.1% compared with December 31, 2023 purely driven by change in SFI volumes.
- Cash and cash equivalents balance as at September 30, 2024, of EUR 10.9 million, and no debt.
- The number of outstanding shares as at September 30, 2024, amounted to 10,391,621.

KEY FINANCIAL METRICS

	Q3			9M		
EUR Thousand	2024	2023	Δ	2024	2023	Δ
Net sales	**3,968**	**6,388**	**-37.9%**	**15,173**	**16,621**	**-8.7%**
Adj EBITDA*	**2,516**	**4,833**	**-47.9%**	**10,553**	**12,084**	**-12.7%**
Adj EBITDA Margin	61.0%	74.3%	-17.9%	67.5%	70.4%	-4.2%
Operating profit before change in value of Biological Assets	**2,376**	**4,694**	**-49.4%**	**10,114**	**11,680**	**-13.4%**
Profit/loss for the period	**2,019**	**3,098**	**-34.8%**	**6,785**	**5,379**	**26.1%**
Earnings per share	0.2	0.3	-35.0%	0.7	0.5	25.9%
Free Cash Flow	**477**	**4,335**	**-89.0%**	**6,460**	**9,573**	**-32.5%**
Free Cash Flow per share	0.0	0.4	-89.0%	0.6	0.9	-32.7%

EUR Thousand	30/09/2024	31/12/2023	Δ
Forest assets	**669,054**	**661,916**	**1.1%**
Deferred tax attributable to forest assets	54,784	54,436	0.8%
NAV	**636,007**	**626,925**	**1.4%**
NAV excluding deferred tax attributable to forest assets	**690,791**	**681,361**	**1.4%**
NAV excluding deferred tax attributable to forest assets/share (EUR)	66.5	65.6	1.4%

*EBITDA excluding revaluation of biological assets

2%

Year-on-year increase in owned land area

Forest land / Total land

95%

(Dec 31, 2023 93%)

SFI/ha

274

m3 per ha forest land

FOREST ASSETS

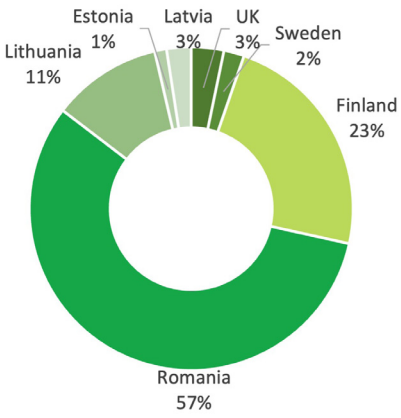
A total of 248 hectares of new properties were acquired in Q3/2024, as part of the continuous aggregation activities in key markets. The Company has several potential larger deals in the pipeline. New forest properties were acquired in Finland and the Baltic countries. The total area as at September 30, 2024, stood at 77.1 thousand hectares. The ratio of Forest land to Total land remains at 95%, and the average m^3 per forest land hectar stands at 274 m^3. The Company also has a small portfolio of agricultural land, mainly in the Baltics.

EUR Thousand	30/09/2024	30/09/2023	Δ	31/12/2023
Total land (thousand ha)	77.1	75.8	1.7%	76.4
Forest land (thousand ha)	73.4	71.4	2.8%	72.0
Agricultural land (thousand ha)	0.7	0.8	-10.3%	0.8
SFI (m^3 thousand)	20,085	19,793	1.5%	19,895

	Q3			Full year
EUR Thousand	2024	2023	Δ	2023
Acquisitions land (ha)	248	545	-54.5%	3,266
Acquisitions SFI (m^3 thousand)	33	58	-43.1%	424

In accordance with the Company's current strategy of having a balanced East West asset portfolio, the acquisitions in Q3/2024 were located in Finland and Baltics.

Geographic land distribution



Land acquisitions in Q3 2024



GreenGold continuously invests in its forest assets. One of the regular investments is road building to improve the accessibility of its forest properties, which also has a positive indirect value on the property values. GreenGold is continuously updating forest management plans and the forest property database, giving the Company better data with higher accuracy. That is also a reason why volume and growth can be fluctuating from quarter to quarter.

Value forest assets

669

MEUR
(Dec 31, 2023
662 MEUR)

Weighted average SFI valuation (EUR/m^3)

33.3

(Dec 31, 2023
33.3 EUR/m^3)

FOREST VALUATION

Accounting principles for forest assets are described in detail in GreenGold's Annual Report 2023, Note 15 on pages 75–80. The Group's Forest assets are recognised at fair value based on a combination of forest land transactions in the areas where GreenGold owns forest assets, as well as a Discounted Cash Flow (DCF) model for the forecasted future cash flows generated by the forest properties. The weighting between the two methods used by the Company is 70% DCF approach and 30% sales comparison approach. The Comparable sales approach is performed by an independent third-party appraiser at year-end. The DCF approach relies on the determination of the net present value of expected post-tax cash flows from the harvest and sale of timber and future residual resale value of the properties. The parameters included in the model for calculating the fair value of forest assets are updated annually at year end, if there are no significant events that warrant updating them during the course of the year.

The total value of the forest assets is allocated across growing trees and forest land. The value of the growing trees, which is recognised in accordance with IAS 41 Biological Assets, is determined by calculating the present value of expected cash flows. Changes in value are recognised in the income statement. The value of forest land is recognised in accordance with IAS 16. The value of land assets constitutes the residual amount between the total value of Forest assets in accordance with the combination method described above, and the value of the biological assets. Changes in the value of forest land are recognised directly in the balance sheet through statement of other comprehensive income.

The estimated change in value of forest assets and biological assets stemming from Biological growth and felling is accrued over the course of the year and based on annualized expected growth and GreenGold's annual felling plan. Growth in the forest varies naturally with weather and season but can be more reliably measured and projected annually and over the long term. As at September 30, 2024, approximately75% of the expected annual change in value stemming from change in standing timber volume was recognized. The value of forest assets as at September 30, 2024 reflects the value of 73.4 thousand ha of forest land and an estimated SFI of 20,085 thousand m^3. Given GreenGold's geographically diversified portfolio with different valuation levels for different regional forest assets, total annual value change will also depend on the specific regional structure of growth and felling in a given year. Acquisitions and disposals of forest properties will also lead to intra-year changes in the value of forest assets.

	End of period	
EUR thousand	30/09/2024	31/12/2023
Fair value of forest assets	669,054	661,916
Biological assets	537,242	531,586
Forest land	131,812	130,330
Deferred tax attributable to forest assets	54,784	54,436

EUR	30/09/2024	31/12/2023
Value per SFI (m^3)	33.3	33.3

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