

GREENGOLD
Q1/2024 Update

HIGHLIGHTS OF THE QUARTER

- Acquired 164 ha of forest properties in Q1/2024, mainly in Finland and Baltic countries, bringing the total area to 76.6 thousand ha as per March 31, 2024.
- Total standing forest inventory (SFI) at the end of Q1/2024 was 19.9 million m^3.
- Harvested volume of 142 thousand m3, good performance in all countries, while lower average stumpage price received, compared to same period last year (117 thousand m^3).
- Adjusted EBITDA amounted to EUR 4.8 million (EUR 4.9 million)
- Cash balance as per March 31, 2024, of EUR 12.3 million, and no debt.
- Published first Group Annual report in accordance with IFRS and henceforth apply IFRS Accounting Standard.
- The number of outstanding shares as per March 31, 2024, amounted to 10,391,621.

KEY FINANCIAL METRICS

	Q1			Full year
EUR Thousand	2024	2023	Δ	2023
Net sales	**6,416**	**6,275**	**2.2%**	**22,311**
Adj EBITDA*	**4,825**	**4,909**	**-1.7%**	**15,366**
Adj EBITDA Margin	73.9%	75.2%	-1.8%	67.0%
Operating profit before change in value of Bio. assets	**4,681**	**4,777**	**-2.0%**	**14,813**
Profit/loss for the period	**1,718**	**2,362**	**-27.3%**	**64,689**
Earnings per share	0.17	0.23	-28.0%	6.2
Free Cash Flow	**4,403**	**4,213**	**4.5%**	**12,236**
Free Cash Flow per share	0.42	0.41	3.5%	1.2

EUR Thousand	31/03/2024	31/12/2023	Δ
Forest assets	**662,404**	**661,916**	**0.1%**
Deferred tax attributable to forest assets	54,505	54,436	0.1%
NAV	**629,248**	**626,925**	**0.4%**
NAV excluding deferred tax attributable to forest assets	**683,753**	**681,361**	**0.4%**
NAV excluding deferred tax attributable to forest assets/ share (EUR)	65.8	65.6	0.3%

*EBITDA excluding revaluation of biological assets

3%

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

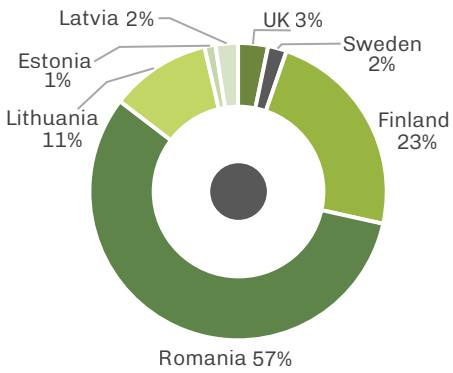
A total of 164 hectares of new properties were acquired in Q1 2024, as part of the continuous aggregation activities in key markets. The Company has several potential larger deals in the pipeline. New forest properties were mainly acquired in Finland, and the Baltic countries while the Company also used its pre-emption right to acquire a small prime property in Romania, with good real-estate development potential. The total area as per March 31, 2024, stood at 76.6 thousand hectares. The ratio of Forest land to Total land remains very good 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	31/03/2024	31/03/2023	Δ	31/12/2023
Total land (thousand ha)	76.6	74.0	3.5%	76.4
Forest land (thousand ha)	72.4	69.4	4.3%	72.0
Agricultural land (thousand ha)	0.8	0.8	0.0%	0.8
SFI (m3 thousand)	19,928	19,621	1.6%	19,895

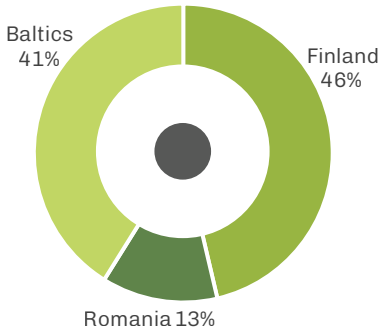
	Q1			Full year
EUR Thousand	2024	2023	Δ	2023
Acquisitions land (ha)	164	841	-80.5%	3,266
Acquisitions SFI (m3 thousand)	27	113	-76.1%	424

In accordance with the Company's current strategy of having a balanced East West asset portfolio, the acquisition in Q1 2024 were mainly located to Finland and Baltic.

Geographic land distribution



Land acquisitions in Q1 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 more up-to date data with higher accuracy. That is why volume and growth can be slightly fluctuating from quarter to quarter.

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Value forest assets

662

MEUR (Dec 31, 2023 - 662 MEUR)

Weighted average SFI valuation (EUR/m3)

33.2

(Dec 31, 2023 – 33.3)

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 detailed 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 has been, and 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 and the value of the biological assets. Changes in the value of forest land are recognised in 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 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 per March 31, 2024, approximately 25% of the expected annual change in value stemming from change in standing timber volume was recognized. The value as per March 31, 2024 reflects the value of 72.4 thousand ha of forest land and an estimated SFI of 19,928 thousand m3. 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	31/03/2024	31/12/2023
Fair value of forest assets	662,404	661,916
Biological assets	532,088	531,586
Forest land	130,316	130,330
Deferred tax attributable to forest assets	54,505	54,436

EUR	31/03/2024	31/12/2023
Value per SFI (m3)	33.2	33.3

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