

GREENGOLD

Q3 F2022 report

HIGHLIGHTS OF THE QUARTER

- Acquired 7,265 ha of prime forest properties in Q3F22, bringing the total area to 71,468 ha as per 30 September 2022.
- Total standing forest inventory at the end of Q3F22 was 19.3 million m³
- Record harvesting volume of 116,170 m³, driven by ramp up of Finnish and Lithuanian operations and continued strong performance in all other countries.
- EBITDA² increased 45% to EUR 3.5 million in Q3F22, compared with Q3F21
- Completed dividend payment of EUR 5.0 million or 0.50 EUR/share in September 2022.
- Implemented Long Term Incentive plan as approved by the AGM on 30 June 2022.
- Number of outstanding shares as per 30 September 2022 amounted to 9,940,402 shares
- Cash balance as per 30 September 2022 of EUR 28.4 million (including 18.3 million from capital raise ongoing in Q3F22).

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- Group CFO - Gustav Wetterling joined on 1 October 2022.
- Successfully completed capital raise initiated in Q3F22 of 20.8 MEUR at 60 EUR/share and pre-money valuation for the Company of EUR 596 million. This resulted in issue of 347,329 new shares and the number of outstanding shares after completion of the capital raise amounts to 10,287,731 shares.

KEY FINANCIAL FIGURES¹

EUR Thousands	Quarter			Jan - Sep		
	Q3 2022	Q3 2021	Δ	2022	2021	Δ
Total Net sales	5,531	4,169	33%	16,751	8,532	96%
EBITDA ²	3,529	2,432	45%	11,542	4,565	153%
EBITDA Margin	64%	58%	9%	69%	54%	29%
EBITDA per share (EUR) ²	0.36	0.27	30%	1.16	0.51	127%

KEY OPERATIONAL FIGURES

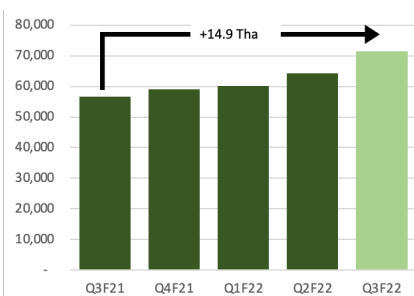
	Quarter			Jan - Sep		
	Q3 2022	Q3 2021	Δ	2022	2021	Δ
Land acquisition (ha)	7,265	22,203	-67%	12,500	25,578	-51%
Harvesting (m ³) ³	116,170	98,647	18%	330,792	225,662	47%

1. Based on Swedish K3 accounting standard

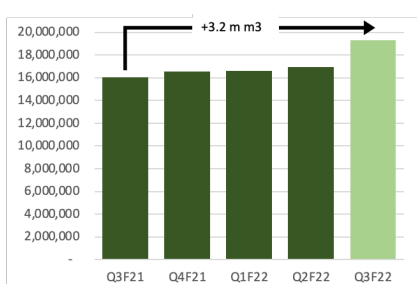
2. EBITDA presented does not include any gains on revaluation of property value or biological assets, it also excludes any non-recurring gains on sale of assets or property.

3. Including both final cut and thinning

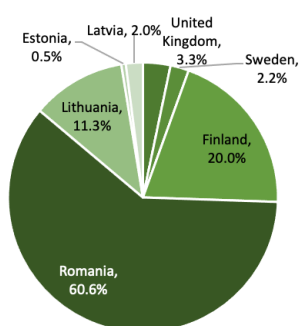
Total forest assets (ha)



Standing forest inventory (m³)



Geographical distribution of area



73 K ton

Net CO₂ sequestered in Q3 2022

Assets

Total forest assets at the end Q3F22 were 71,468 ha of land and 19.3 million m³ of standing forest inventory. Total acquired area of forests during Q3F22 was 7,265 ha, mainly in Romania, Finland and UK. The status as per Q3F22 represents a year-on-year increase of almost 15 thousand hectares or 26%, compared with Q3F21. Standing forest inventory increased by about 3.2 million m³ or 20%, compared with Q3F21. Our assets remain distributed across 7 European countries. In order of area: Romania (61%), Finland (20%), Lithuania (11%), United Kingdom (3%), Latvia (2%), Sweden (2%) and Estonia (1%). The age class distribution in the forest portfolio is mainly geared towards middle-aged forests which provide high biological growth and thus high CO₂ sequestration as well as good harvesting possibilities in the immediate and near future. The species distribution is focused on the 10 most commercial species, giving the Company favorably diversified exposure to European, US, Asian and MENA markets. The acquisition pipeline looks good with over 50 thousand ha across Europe, which is being scrutinized now, a strong capital position and ample liquidity provide good prospects of undertaking opportunistic acquisitions.

Operations

During Q3F22, a total of 116,170 m³ were harvested and sold as stumpage at an average price of 45 EUR/m³. The record high harvesting numbers, including both final cut and thinning, were mainly due to ramp up of operations in Finland and Lithuania, coupled with strong continued activity in all other countries. The resulting 33% increase in Net sales in Q3F22 compared with Q3F21 was also helped by higher prices, while the price level of especially soft woods has come down since the beginning of 2022. However, demand on energy wood is strong and prices have increased several EUR/m³.

Environmental & other projects

As a large European private forest owner, the size and geographical location of the assets provide the Company with potential to develop new business opportunities. In the field of green energy, two option agreements have been signed for wind power development in UK. In Finland there are ongoing discussions with a handful of wind power developers for projects on the Company's land. Furthermore, two contracts for local electricity storage units on G3X land were signed in Finland, and a graphite prospecting project is ongoing in Sweden.

G3X's unique forest holding is a growing resource that continuously absorbs fossil CO₂ emissions, the estimated net sequestration in Q3F22 stood at 73 thousand tons. The Company continuously monitors and evaluates the many interesting new projects emerging in the field of voluntary carbon credits and markets.

Organisation

As previously reported the Company has strengthened its organisations in Latvia and Finland in 2022, to increase speed of expansion. The recruitment process of a new forest manager in UK was finalized in Q3F22 and Gustav Wetterling joined in the new position of CFO on 1 October 2022.

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