

# **Annual Report 2024**

**GreenGold Group AB (publ)**

**GREENGOLD**



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# GreenGold in brief

## A unique European forest platform

GreenGold's goal is to create lasting value for our owners by unlocking the commercial potential of Europe's forests while prioritizing sustainable and cost-effective management practices. As a responsible forest owner, we are committed to balancing economic growth with the ecological integrity of our properties.

The Company has a pronounced diversification strategy and seeks broad geographical and biological exposure and to capitalize on the unique opportunities each property and region offers and incorporate the best available methods to ensure forest health and resilience. This diversification enables the Company to minimize risks and generate a stable, long-term income stream for its owners.

79  
K ha total area

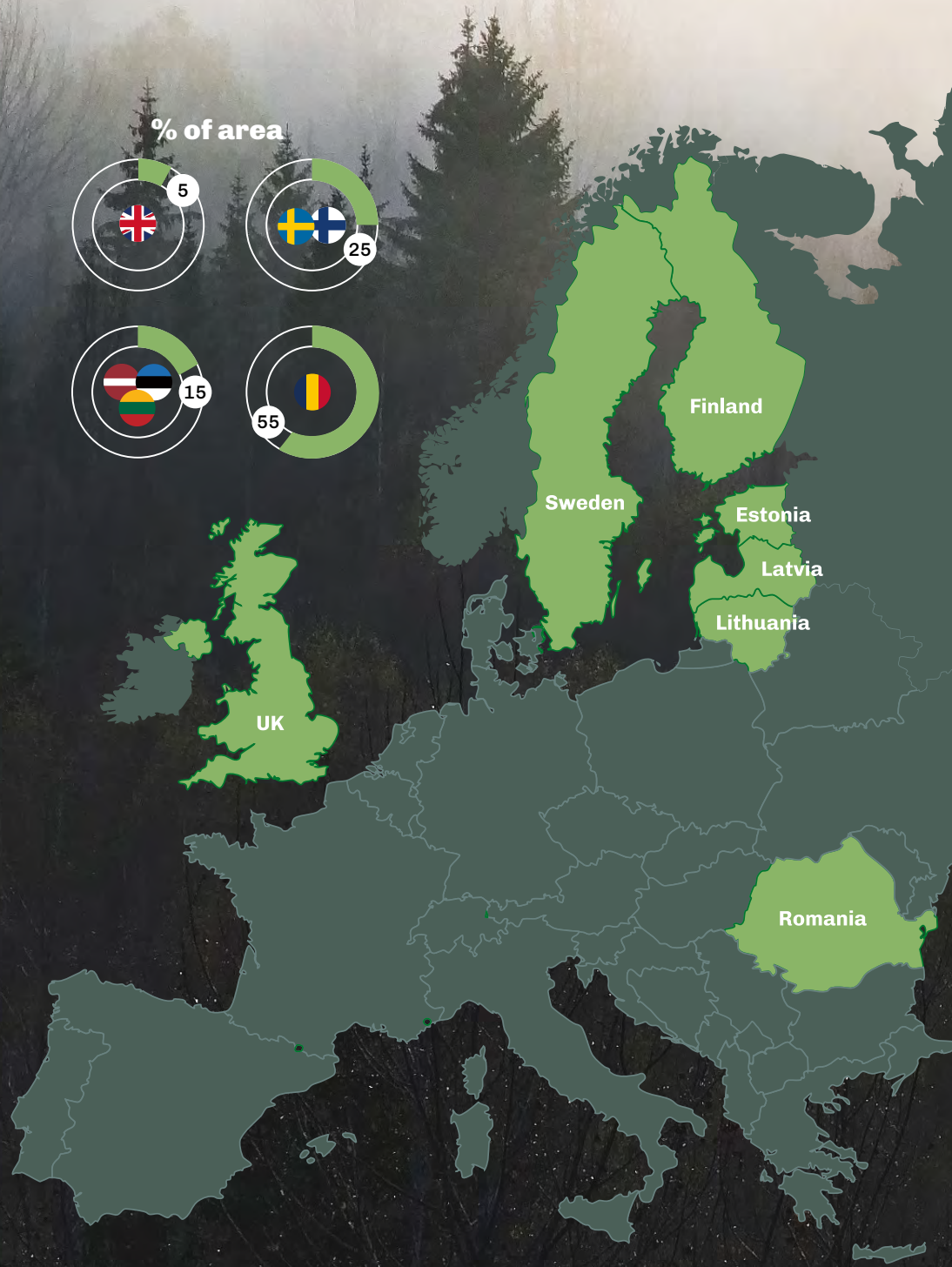
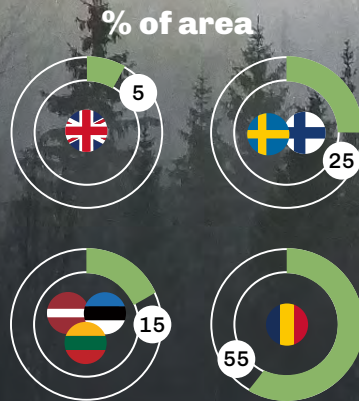
20  
million m<sup>3</sup>  
SFI

Active in  
7  
countries

104  
employees

20  
million EUR  
net sales

343  
K ton CO<sub>2</sub>  
sequestered in  
2024





# About GreenGold

## Business areas

### Investment activities

Through our extensive experience and strong local presence, we have developed a large network for sourcing forest property deals and have a proven value creation playbook on a regional level.

A lean, entrepreneurial firm structure with a pan-European focus allows GreenGold to act quickly and be more flexible than large forest owners. Additionally, our pan-European strategy involves seeking the best value markets and deals across the entire region. This approach has led to our current presence in seven different countries, yielding the benefits of diversification across wood markets, jurisdictions, species, and climate types.

We employ a disciplined and rigorous value-based approach to acquiring assets, with a clear strategy towards diversification to lower risks or adding synergies through regional aggregation and therefore enhanced efficiencies and economies of scale.

### Ownership and management

We have a buy-to-hold-forever philosophy in an evergreen structure, which allows us to have a long-term maximum impact and return focus. Forest management is performed by in-house staff and we are proud to have some of the best forestry professionals in Europe.

We use proven practices to manage our forests in a way that promotes their long-term health and vitality. We work closely with local communities and organizations to develop sustainable forestry plans that balance the needs of the environment with the economic and social needs of the communities that depend on our forests.

### Timber sales

Our main operational business is the production and sale of timber. We manage our forests sustainably with the aim of good and steady yield, which enables us to provide customers with responsibly produced, certified wood. We sell our wood without long-term fibre supply commitments. This enables us to choose the best possible timing of timber sales in order to secure the best possible returns on our wood. GreenGold has a clear strategy of selling on stumpage which generate the best returns for our organisation.

We believe in mutually beneficial partnerships and while keeping flexibility strive to integrate with key customers for better planning and execution of sales.

Digital tools are essential for efficiency and managing large areas and GreenGold has developed bespoke IT systems for this purpose.

### Other business and uses

We provide high-quality forest management services to a few select customers. For our service agreement customers, we perform silvicultural work such as forest regeneration and tending of seedling stands, as well as assistance in marketing and selling their wood.

We also allow paid access to our land for various purposes, such as hunting and foraging, and actively pursue additional uses such as wind power or solar developments together with partners. Our forests are also widely used for free-of-charge recreation. We plan and sell waterfront plots and soil resources. We also occasionally sell small plots of agricultural or forest land that do not fit our long term strategy.



# About GreenGold

## 2024 in figures

2024 was a stable and profitable year for GreenGold. The company expanded by approximately 2,500 hectares in key areas, in line with our current focus on diversifying and balancing our platform through investments primarily in Finland, the United Kingdom, Latvia, and Estonia. In Scotland, the company increased its total acreage by 55% during the year. The value of our forest portfolio also rose, driven by improved fundamentals for forest properties, a lower interest-rate environment, and observed stability in the forest property market across several countries. The Company remains debt-free.

### General Highlights

Increased area in Scotland by

**55%**

Increase in total land footprint by

**2,498**

hectares

Net increase in SFI by

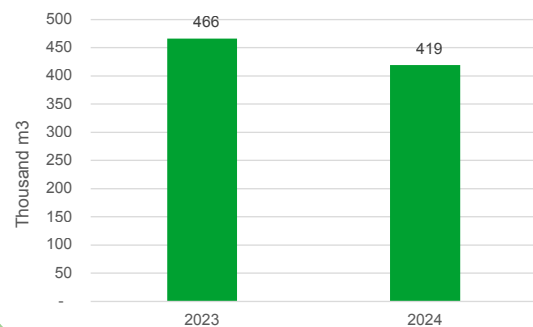
**351,000**

m<sup>3</sup>

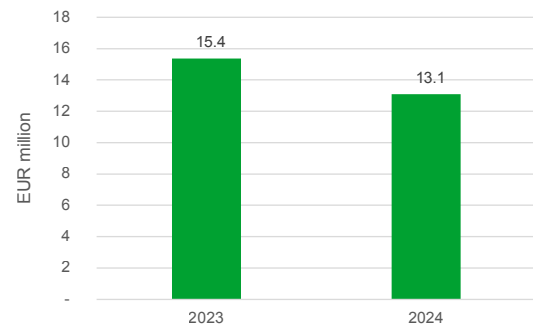
Harvested volume

**-10%**

Harvesting volume



Adjusted EBITDA



### Financial Highlights

Increase in value of total forest assets

**57.4**

EUR million

Total revenue

**19.9**

EUR million

Operating profit before change in value of Biological assets

**12.5**

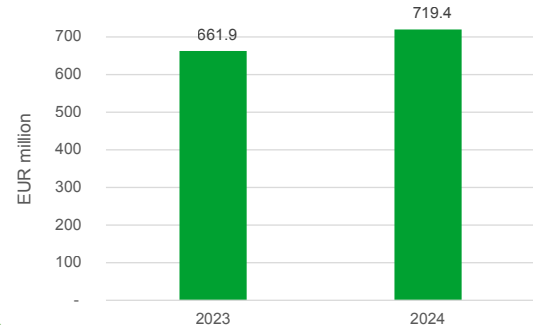
EUR million

Net profit

**49.8**

EUR million

Value of forest assets





# About GreenGold

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## CEO comment

In 2024, GreenGold navigated a shifting market environment with a focus on operational efficiency, strategic acquisitions, and disciplined timber sales. Despite macroeconomic uncertainties and regulatory changes across our markets, our proactive approach ensured stable performance and long-term value creation.

Operationally, 2024 full year harvesting volumes were lower than in 2023, mainly due to reduced harvesting in Romania, where about 30% of the forest area was undergoing forest management plan renewal. The lower volumes, coupled with a mixed but overall stable price picture, resulted in reduced timber sales, which in turn led to lower earnings. However, we still generated EUR 13 million in adjusted EBITDA, and a reduction in harvesting also means our trees continue to grow, adding value over time. Romania is expected to recover to previous harvesting volumes in 2025-2026, and Finland continues to show strong momentum. The profit for the year 2024, which includes change in value of Biological assets, amounted to EUR 49.8 million, or EUR 4.8 per share. We generated Free Cash Flow per share of 0.80 EUR in 2024, which we plan to both use for continued acquisitions as well as dividends.



We have continued to expand our footprint, acquiring forests and high-quality properties in the UK, Finland, and the Baltics. Of particular note is the acquisition of 1,300 hectares in the UK in Q4 2024, which was predominantly paid for with GreenGold shares at a valuation of 68 EUR/share. This transaction strengthens our position in the UK market while preserving liquidity for future opportunities and gaining another shareholder in the GreenGold family. In total we increased our land area by 55% in UK, 3% in Finland and 9% in Latvia, in addition to growing elsewhere. We continue to look at new countries to enter, and we are especially focused on two large European countries, and entertaining different entry points to ensure we will gain the necessary local scale.



# About GreenGold

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We have updated the valuation of our forest portfolio. The financial returns for forest owners remain strong, supported by high timber prices and a declining interest rate environment, resulting in an increased portfolio valuation, amounting to EUR 719 million. To provide a clearer long-term view of our business, we will start using Net Realisable Value (NRV) as our primary KPI. The principles of the NRV concept are already well established across listed European real estate firms and better reflects our long-term asset value by excluding deferred taxes on property valuation surpluses, which are not expected to crystallize under normal business conditions. The NRV per share as at December 31, 2024 was EUR 70.1.

We continue to prepare the Company for a future IPO, though we are in no rush. Given the evolving geopolitical landscape including developments around US President Trump and tariffs, Ukraine, NATO, and broader macroeconomic and ESG trend shifts we are carefully monitoring events before committing to a timeline. We spent 2024 testing US and Canadian institutional investor interest in GreenGold and European forests, and we can conclude that we should focus our fundraising efforts in Europe.

We are close to launching our first pilot project in the UK focused on CO<sub>2</sub> sequestration credits. This marks an important step forward in a developing and potentially lucrative future carbon market.

In our core markets, we continue to see strong institutional interest in forest assets, with several large parcels shifting hands, especially in the Baltics and Finland. GreenGold remains actively engaged in this evolving landscape, leveraging our market expertise and disciplined approach to acquisitions to capture high-value opportunities.

Despite a dynamic and often challenging environment, our commitment to sustainable forest management, disciplined capital allocation, and strategic acquisitions have positioned GreenGold well for the future. As we enter 2025, we see strong demand for high-quality timber assets, a gradually recovering property market, and significant opportunities for institutional consolidation. With prudent financial management and a clear strategic vision, we are confident in our ability to deliver long-term value to our stakeholders while preparing for the next phase of our growth.

**Sorin Chiorescu**  
CEO, GreenGold Group





# About GreenGold

## Key metrics\*

EUR Thousand	2024	2023	Δ
<b>Net sales</b>	<b>19,938</b>	<b>22,311</b>	<b>-10.6%</b>
<b>Operating profit before change of value of Biological assets</b>	<b>12,499</b>	<b>14,813</b>	<b>-15.6%</b>
<b>EBITDA</b>	<b>62,376</b>	<b>76,593</b>	<b>- 18.6%</b>
<b>Adjusted EBITDA</b>	<b>13,101</b>	<b>15,366</b>	<b>-14.7%</b>
<i>Adjusted EBITDA margin (%)</i>	<i>63.1%</i>	<i>67.0%</i>	<i>-5.8%</i>
<b>Change in value of Biological assets</b>	<b>49,275</b>	<b>61,227</b>	<b>-19.5%</b>
<b>Profit for the year</b>	<b>49,791</b>	<b>64,689</b>	<b>-23.0%</b>
<i>Earnings per share (EUR)</i>	<i>4.8</i>	<i>6.3</i>	<i>-23.4%</i>
<b>Net cash used in operating activities</b>	<b>10,934</b>	<b>14,635</b>	<b>-25.3%</b>
<b>Free Cash flow</b>	<b>8,381</b>	<b>12,236</b>	<b>-31.5%</b>
<i>Free cash flow/share (EUR)</i>	<i>0.8</i>	<i>1.2</i>	<i>-32.1%</i>
<b>ESG measures</b>			
<b>Net climate benefit (Net CO2 sequestration, tonnes)</b>	<b>343,000</b>	<b>306,000</b>	<b>12.1%</b>
<b>Net climate benefit per share, (kg)</b>	<b>33</b>	<b>30</b>	<b>11.5%</b>
<b>EUR Thousand</b>	<b>31/12/2024</b>	<b>31/12/2023</b>	<b>Δ</b>
<b>Forest assets</b>	<b>719,356</b>	<b>661,916</b>	<b>8.7%</b>
Deferred tax related to fair value of Forest assets	63,496	54,436	16.6%
<b>Net realisable value (NRV)</b>	<b>735,256</b>	<b>681,361</b>	<b>7.9%</b>
<i>NRV/share (EUR)</i>	<i>70.1</i>	<i>65.6</i>	<i>6.9%</i>
<b>Average capital employed</b>	<b>709,387</b>	<b>662,857</b>	<b>7.0%</b>
<i>Return on average capital employed (ROCE %)</i>	<i>1.8%</i>	<i>2.2%</i>	<i>-21.2%</i>
<b>Amount of outstanding shares at the end of the year</b>	<b>10,487 585</b>	<b>10,391 621</b>	<b>0.9%</b>
<b>Average amount of outstanding shares</b>	<b>10,396 879</b>	<b>10,344 369</b>	<b>0.5%</b>

\*Definitions and explanations of the key metrics are found on pages 98-102



# Operations and strategy

## The GreenGold way

GreenGold's professional and motivated organisation has built a unique platform for long term value creation from forests, and has a clear roadmap of the different activities to realise those values for its shareholders and other stakeholders. True to the name and ethos of the Company, it is both about maximising the monetary as well as the ecological value of the forests.

### EVERGREEN

Infinite corporate structure creates focus on long-term value creation

### INDEPENDENT

No long-term wood supply contracts – ability to optimise selling prices

### UNLEVERED

Flexibility to optimise long-term value creation

### COST-EFFICIENT

Low SG&A costs with 0.2% implied management fee vs. fund standard of ~2%

### INTEREST-ALIGNED

Fully committed management through significant ownership

## Strategy and activities



Fundraising



Forest acquisition



Harvesting



Planting/  
afforestation



Conservation



CO<sub>2</sub>  
sequestration



Geographical  
expansion



Renewable energy



Other HBU



IPO



# Operations and strategy

## Market overview

During 2024, Europe's forestry and timber market was influenced by ongoing geopolitical challenges, high but fluctuating energy costs, and a gradual normalization of inflation and interest rates. Compared to the more turbulent period of 2022–2023, the market for timber and wood-based products showed signs of stabilization, with notable regional and species-specific differences.

### Timber Prices and Demand

In the Nordics and the Baltics, overall demand for wood remained healthy but varied by end use. Sawn timber and pulpwood prices were generally stable, while certain areas benefited from higher energy-wood prices driven by elevated energy costs.

Central Europe continued to adjust after prior bark beetle outbreaks and forest fires, resulting in a somewhat lower supply of commercially viable timber than during the peak periods of storm and insect infestations.

The UK experienced some downward price pressure on softwood, partly due to competing imports, while certain hardwood segments and specialty assortments retained robust profitability.

### Forest Real Estate Market

Institutional interest in forest investments remained high, with actors such as Ingka (IKEA) and MunichRe which acquired large forest holdings in Europe. This contributed to stable or even slightly rising prices in several regions, despite higher interest rates than just a few years ago.

In Finland, Sweden, and the Baltics market liquidity remained relatively strong, although the number of large-scale transactions declined somewhat compared to the record years of 2022–2023. Prices for bigger, contiguous certified and production-oriented forest properties stayed at historically high levels.

The UK and Romania saw fewer large-scale transactions in 2024, but long-term investors continued to show interest. International fund managers and industrial buyers were among those acquiring forest areas to secure raw material supply and diversify their asset portfolios.

### Macroeconomic Factors and ESG Trends

High inflation initially prevailed in Europe, easing somewhat toward the end of the year central banks lowered interest rates. This benefited long-term forestry investors who see forest land as a stable, real asset offering inflation hedging.

Demand for bio-based products and potential for carbon sequestration further heightened focus on ESG (environmental, social, and governance) considerations. Forest properties are increasingly viewed as part of the transition to a climate-neutral economy, attracting major industrial players, pension funds, and insurance companies.





# Operations and strategy

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Certification and sustainability requirements remained central across Europe. EU-level work on a harmonized framework for forest-related carbon credits, together with broader sustainability reporting requirements (e.g., via CSRD), contributed to an even greater emphasis on sustainability and traceability in forest transactions.

## Regional Differences in Valuation and Returns

Most European forest markets continued to see modest increases or stabilization in valuation levels, measured per hectare and per cubic meter of standing volume. Several independent valuations conducted in 2024 indicate that larger, well-managed forest portfolios often command a “portfolio premium” compared to fragmented properties.

Discount rates in long-term cash flow models (DCF) decreased slightly as inflationary pressures eased, thereby increasing the net present value of forest assets.

Access to robust infrastructure, proximity to industrial consumers, and economies of scale in forest management provided an additional value premium for larger holdings or portfolio strategies.

## Conclusions and Outlook

Overall, 2024 was a year of stabilization in Europe’s timber and forest property markets, marked by continued geopolitical uncertainty and an ongoing energy transition. Production-oriented, certified forests remained in high demand, driven by long-term investors seeking both financial returns and sustainable ESG solutions.

The outlook for 2025 remains cautiously optimistic. Ongoing investments in the forestry industry and renewable energy, combined with EU initiatives on forestry and climate, will likely keep the spotlight on European forest assets. Key uncertainties include geopolitical risks, potential shifts in interest rates, and new regulations related to harvesting practices and carbon reporting.





# Operations and strategy

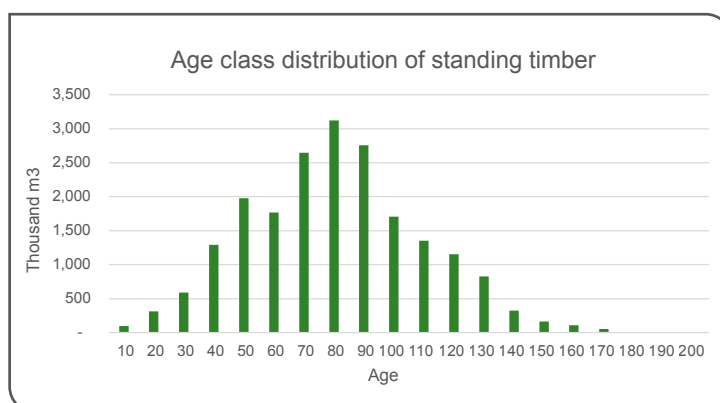
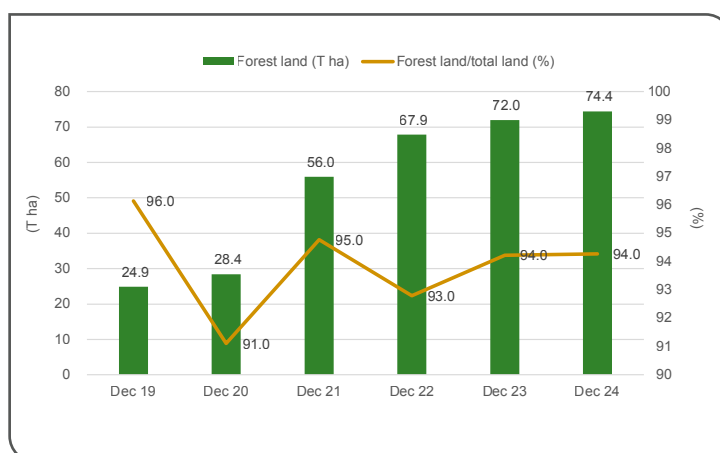
## GreenGold's forests

GreenGold prides itself on having a very high-quality portfolio of forest assets, selectively acquired across Europe. Indeed, the Company's strategy has always been to be opportunistic and to act on the best value deals from a pan-European perspective. This approach takes into account factors such as quality, geographic location including proximity to industry and infrastructure as well as ecological factors, such as environmental risks. As of 31 December 2024, GreenGold's forest portfolio is well-diversified and structured to generate optimal and stable cash flows.

Geographic land distribution (thousand ha)			Geographic distribution of SFI (thousand m3)	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Scotland	3.9	2.5	699	563
Sweden	1.6	1.6	45	41
Finland	18.3	17.7	1.718	1.621
Romania	43.6	43.6	16.070	15.978
Lithuania	8.7	8.4	1.464	1.440
Estonia	1.0	0.9	86	99
Latvia	2.0	1.9	165	153
<b>Total</b>	<b>78.9</b>	<b>76.4</b>	<b>20.247</b>	<b>19.895</b>

Since its establishment in 2018, GreenGold has been annually increasing its forest portfolio while maintaining a very high ratio of forest land to total land. The remainder consists of agricultural land and other non-commercial areas such as hilltops, roads, areas under power lines, and swamps. These generally come included to varying degrees when acquiring forest properties.

GreenGold has a good and balanced age distribution, with large parts of the portfolio at, or close to, harvestable age, creating a strong base for cash flow generation in the short, medium, and long-term. The age for final cut depends on the species and climatic regions; for example, Sitka spruce in the UK has a cycle of about 40 years, while the best trees of oak in Romania are harvested at an age of 200. The majority of softwoods could potentially be harvested from an age of 70-80 years in most jurisdictions. However, the harvestable and optimal ages for harvest are not always the same and depend on local growth as well as pricing conditions.



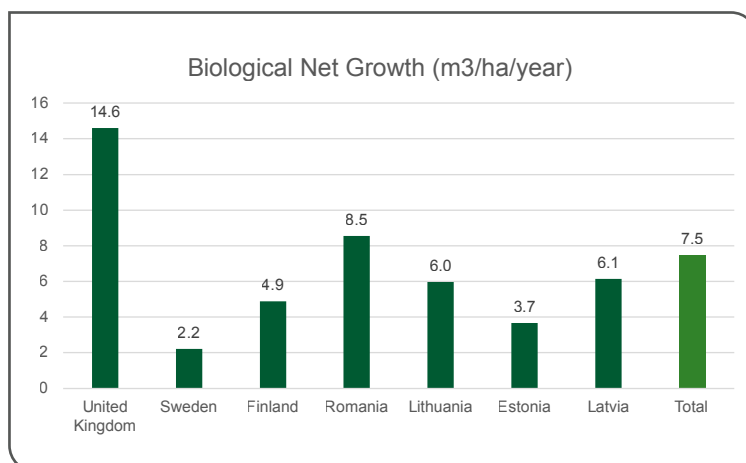
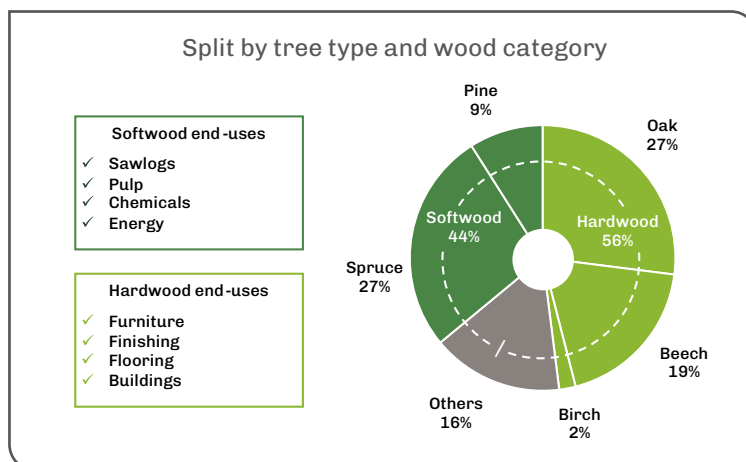


# Operations and strategy

GreenGold's strategic diversification across tree species provides a fundamental hedge against cyclical volatility in end-market demand, even though variations in volumes and revenue may occur between years. The balanced exposure to both coniferous and broadleaf species forms a base for cash flow generation over time and mitigated the risk of disruptions from species-specific pests and diseases. Furthermore, the company's independent market position has allowed for tactical flexibility to monetize specific market opportunities, such as price spikes in energy wood.

The biological growth of the trees is a very important value driver for GreenGold and forestry in general; it is the asset's most distinguishing trait. Because it is independent of other factors typically impacting financial investments, trees grow in both volume and value even during the most difficult economic times. Consistent biological growth leads to timber's stable returns and low correlation with other financial assets. Since GreenGold's portfolio is intentionally less homogeneous than those of other large forest industrial companies, and because it is constantly acquiring new properties and harvesting certain properties, the exact composition of species, ages, and geographic distribution of its forest portfolio is continually shifting. Therefore, the average net growth will vary marginally over time. Here is a good representation of the current growth of the Company's forests as of December 31, 2024, stated as net growth in cubic meters per hectare per year.

GreenGold generally maintains a high stocking level, measured as the volume of standing timber divided by the forest land. These exact numbers will also change over time as the structure of the forest portfolio changes, but the average growth and stocking levels convincingly tell the story of the quality and value of GreenGold's forest portfolio.



	Growth Net m3/ha/year		SFI m3/ha forest land	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Scotland	14.6	15.9	289	312
Sweden	2.2	1.9	54	49
Finland	4.9	4.9	98	100
Romania	8.5	8.5	374	372
Lithuania	6.0	5.9	176	178
Estonia	3.7	4.0	99	123
Latvia	6.1	6.2	109	116
<b>Totalt</b>	<b>7.5</b>	<b>7.5</b>	<b>272</b>	<b>276</b>



# Operations and strategy

## Growth

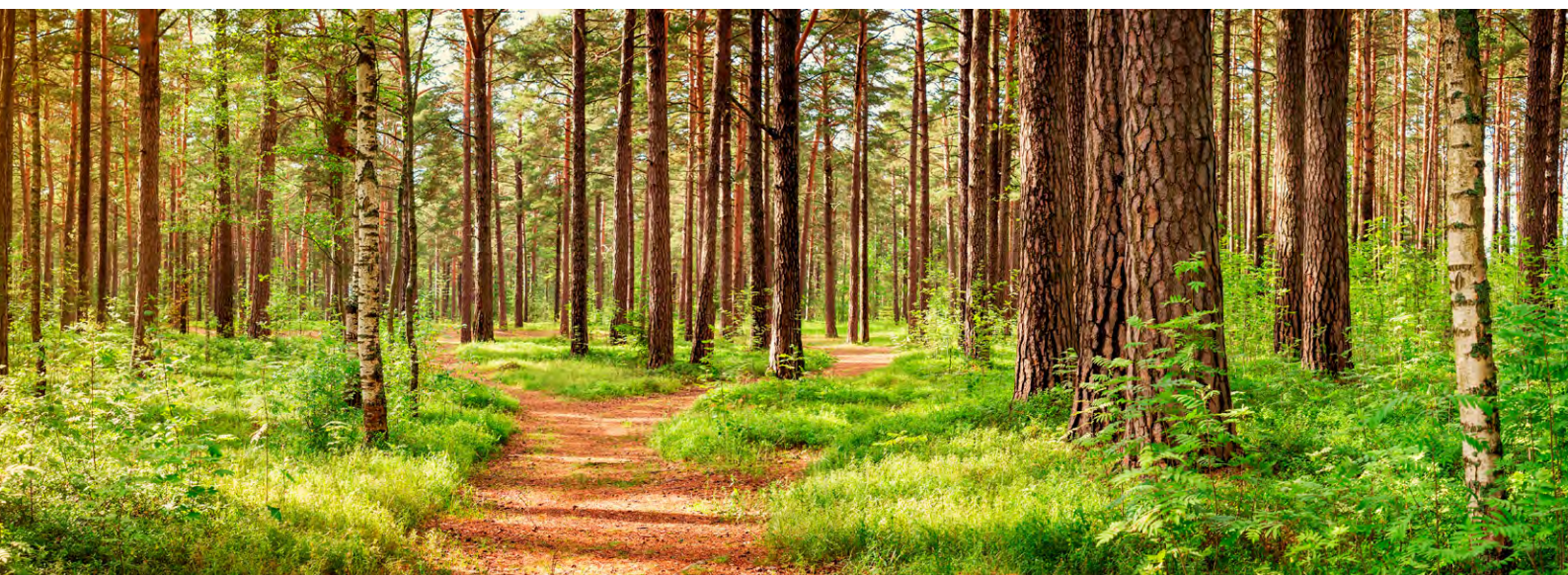
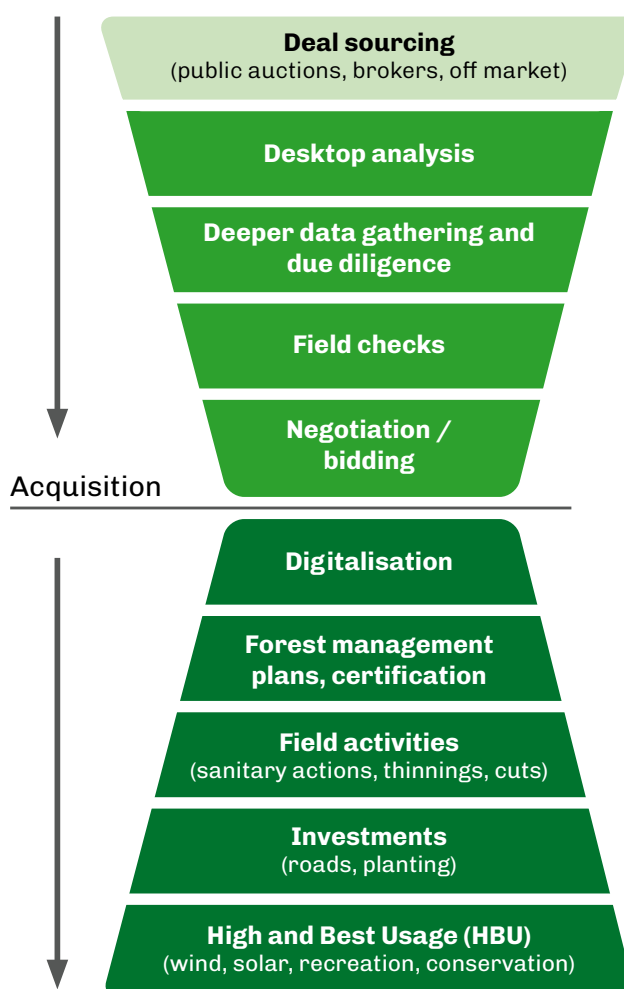
GreenGold's growth is derived from the expansion of its owned and managed areas, which is in turn the result of very disciplined acquisition activities. Additionally, operational growth stems from bringing acquired hectares into production. This includes integrating them into the company's harvesting and business planning, as well as actively managing them to gradually increase biological growth and improve quality.

### Investing activities

Value is the overarching principle for all acquisitions. Simply interpreted to mean that every property should be acquired on its own merits and add value on a stand-alone basis, while potential synergies with existing properties are desired. Additionally, there are some strategic considerations applied in terms of where GreenGold is actively seeking new acquisitions. One such important strategic consideration is diversification; GreenGold actively strives to maintain a diversified portfolio in terms of ages, species, climates, end-market exposure, and jurisdictional diversification.

GreenGold has a large network and strong local teams for sourcing property deals. Furthermore, it has established an efficient system and a step-by-step approach for considering property deals, to ensure discipline regarding which properties are acquired and to enable quick action and screening of a large number of prospective properties. For this purpose, GreenGold has also developed proprietary digital forest management systems to keep track of the deal flow and subsequent planning and management after acquisition.

It is the disciplined and value driven selection and due diligence process, coupled with a large network for deal generation, which has contributed to GreenGold's successful investment activities.





# Operations and strategy

After acquisition, GreenGold also has a clear roadmap for how to incorporate new properties into the operational business and start to enhance their productivity and value.

GreenGold has been annually increasing its footprint since its establishment in 2018. The company generally considers that, with the current organization, it could double the footprint under management.

The size of annual acquisitions varies between the years and can be divided into two categories:

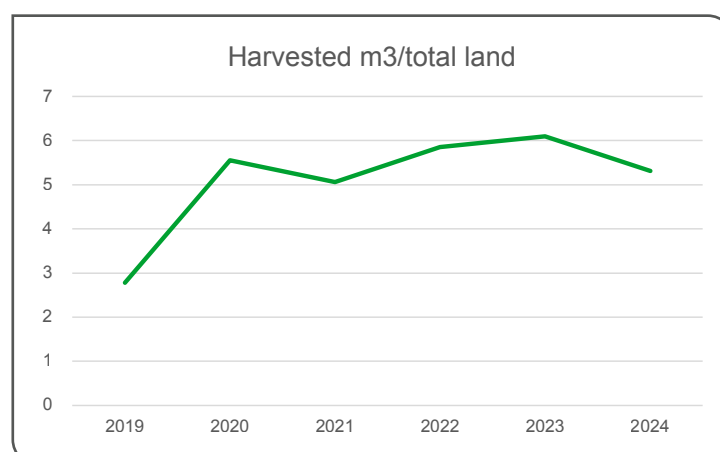
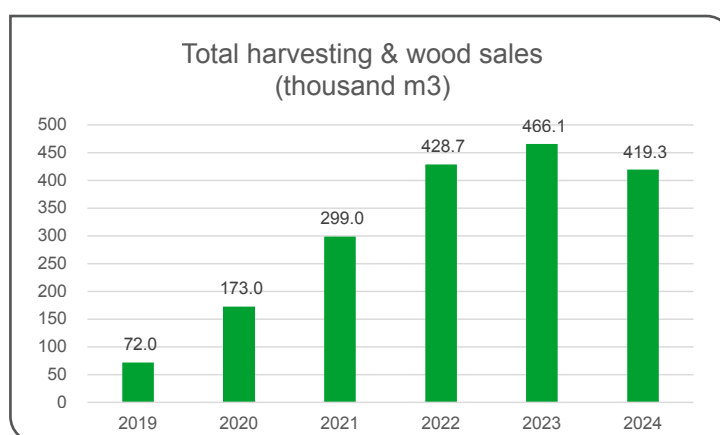
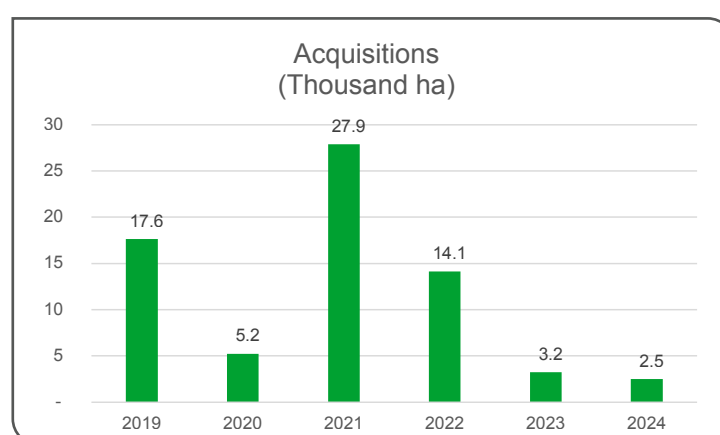
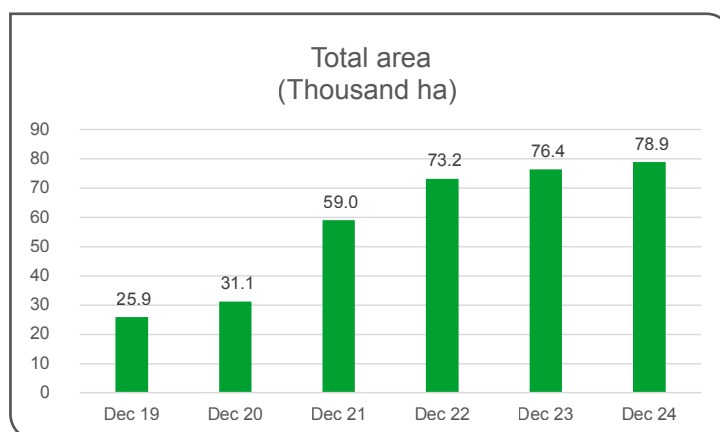
1. Continuous acquisitions of smaller properties with GreenGold acting as a regional consolidator, which occur regularly.
2. Larger transactions, which usually take longer to negotiate, have historically been significant value drivers and the main reason for variations between years. Access to funding also plays a role in the speed of acquisitions.

## Operational activities

GreenGold has been steadily increasing its annual harvesting and wood sales. This is partly due to the overall growth in forest assets, but also because more of the acquired properties are being incorporated into the business planning and activities through updated forest management plans, which drive the harvesting plans.

As stated, the company has no long-term supply agreements in order to maintain flexibility and optimize sales prices. Behind the general increase in wood sales lie some intra-group decisions and adjustments regarding where and what to sell, based on market conditions, to generate the best revenue. The company has also developed more efficient operations in terms of organizing sales, through integration with key customers, while maintaining full independence.

One of the metrics that the company follows, as an indication for production level is the harvested volume/total land, and can be seen as an extraction metric, indicating level on production.





## Operations and strategy

Area

3.9<sub>kha</sub>

5% of total area

Volume

699<sub>km<sup>3</sup></sub>

3% of total volume



### Scotland

Forests in Scotland are diverse, ranging from ancient Caledonian pine forests to commercial plantations of coniferous species. The climate in Scotland is generally cool and wet, with abundant rainfall throughout the year, which is ideal for tree growth. Overall, the conditions for forestry in Scotland are favourable, with a supportive policy framework, abundant natural resources, and a strong tradition of responsible forest management. The country has also a developed framework for afforestation and CO2 projects. This has helped to establish Scotland as a leader in sustainable forestry practices, with a reputation for high-quality timber products and a commitment to environmental stewardship, which aligns very well with GreenGold's own mission statement.

Area

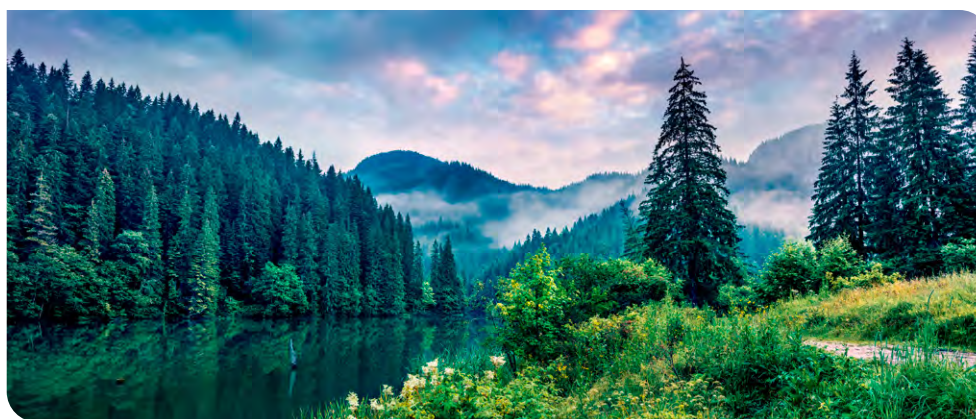
43.6<sub>kha</sub>

55% of total area

Volume

16.1<sub>mm<sup>3</sup></sub>

79% of total volume



### Romania

In Romania, the "Carpathian Garden", vast, biodiverse forests form the emerald lungs of Europe. Our lands are home to beech, oak, fir, and spruce, embodying the rich forestry tradition of Romania. The country's forests cover almost 7 million hectares, making up nearly a third of its total land area. The conditions for forestry in Romania are generally favourable, with a temperate climate and ample rainfall providing good growing conditions for trees and natural resistance. The forest industry in Romania is diverse. The country is also a significant exporter of forest products, particularly to other countries in Europe. Romania's forests are a bio-diverse treasure, featuring European beech forests that are part of a UNESCO World Heritage site. Given Romania's unique forest resources, our commitment doesn't just stop at sustainable logging. We are also focused on conservation and supporting local communities, ensuring that Romania's forestry sector remains both profitable and sustainable for generations to come.



## Operations and strategy

Area  
**18.2** kha  
23% of total area

Volume  
**1.7** m m<sup>3</sup>  
8% of total volume



### Finland

In Finland, the "Land of a Thousand Lakes," forests cover about 75% of the total land area. Finnish forestry stands out for its integration with technology and GreenGold is constantly looking for new properties. Our Finnish forests are primarily made up of pine, spruce, and birch. These forests are certified and managed sustainably with a long-term perspective including areas under the Finnish METSO program that aims to halt the decline of forest biodiversity. This forest wealth has given rise to global leaders in the forest products sector like Stora Enso, Metsä and UPM Kymmene. Finland is a global leader in sustainable forest management and advanced forest products. The country is not just about raw timber but also about high-value products like specialty papers, engineered wood, and biofuels. GreenGold is excited to be part of Finland's forestry landscape. With our own mission of sustainable forestry, we find Finland to be an inspiring and strategic fit for GreenGold's objectives.

Area  
**8.7** kha  
11% of total area

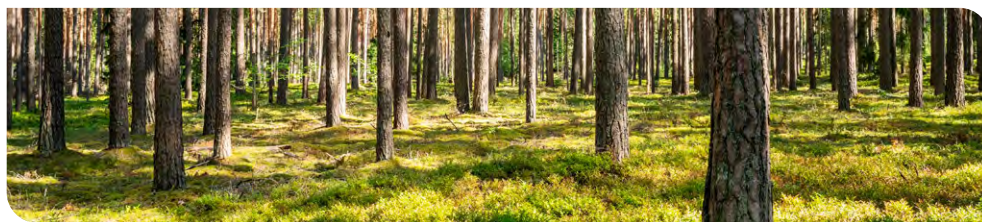
Volume  
**1.5** m m<sup>3</sup>  
7% of total volume



### Lithuania

GreenGold owns and manages about 9,000 hectares of forest land in Lithuania, the "Land of Storks and Woodlands," where forestry traditions run deep. Unique for its balance between coniferous and deciduous forests, Lithuania has an expanding forestry sector with an increasing focus on export to the European market. GreenGold's commitment to responsible forestry finds a natural home here, where forest certification systems are widely adopted for international trade. Lithuania's forests are diverse but predominantly consist of pine, spruce, and birch trees. The country benefits from a temperate climate and balanced rainfall, which support excellent conditions for forestry. Lithuania has a growing emphasis on sustainability and responsible forest management, with various initiatives in place to support these goals. GreenGold's mission to practice responsible and sustainable forestry merges seamlessly with Lithuania's approach to forest management.

## Operations and strategy



### Latvia

GreenGold currently owns and manages about 2,000 hectares of forest land in Latvia, and is always on the lookout for new properties, capitalizing on the country's thriving forestry sector, which contributes nearly 5% to the national GDP. Latvia is noteworthy since forests have increased in area by about 45% over the past 100 years. Latvian forests are a mosaic of coniferous and deciduous trees, with an array of spruce, pine, and birch species. With a robust framework for sustainable forestry practices and responsible forest management, Latvia offers an advantageous setting for forestry investments. As in other countries where we operate, GreenGold is committed to environmental stewardship and sustainable forest management, which aligns well with Latvia's own forestry ethos.



### Estonia

GreenGold currently owns and manages about 1,000 hectares of forest in Estonia, a country known for its digital innovation even in forestry. With nearly half of its land covered in forests, Estonia is one of the most forest-rich countries in Europe. Here, our focus is on leveraging tech solutions for sustainable forest management, taking cues from Estonia's e-governance initiatives. Estonian forests are primarily composed of pine, spruce, and birch trees, similar to its Baltic neighbors. The country's cool and wet climate provides excellent conditions for tree growth. Estonia also places a strong emphasis on responsible forest management and sustainability, much like GreenGold. Our commitment to environmental protection and sustainable forestry practices finds a fitting home in Estonia's forests.



### Sweden

GreenGold owns and manages about 1,500 hectares of Swedish forest land, characterized by its mixed forests comprising Scots pine, Norway spruce, Siberian larch, Lodgepole pine, and birch. In Sweden, where forests cover more than half of the country, GreenGold is continuously seeking new properties to add to our portfolio. Sweden is not only Europe's largest exporter of sawn timber but also a leader in forest research and innovation. Contrary to many countries, Sweden's forest volume has actually increased, thanks to sustainable management practices.

Area  
**2.0**<sub>kha</sub>  
3% of total area

Volume  
**165**<sub>km<sup>3</sup></sub>  
1% of total volume

Area  
**1.0**<sub>kha</sub>  
1% of total area

Volume  
**86**<sub>km<sup>3</sup></sub>  
0.4% of total volume

Area  
**1.6**<sub>kha</sub>  
2% of total area

Volume  
**45**<sub>km<sup>3</sup></sub>  
0.2% of total volume



# Operations and strategy

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## Sustainability

### Climate Change, Net Zero, and the Importance of Forestry and Green Investments

Climate change is one of the most critical global challenges we face today. The increasing greenhouse gas (GHG) emissions, primarily from the burning of fossil fuels, have led to a significant rise in global temperatures, causing severe environmental and socio-economic impacts. To combat this crisis, the goal of achieving net zero emissions has become a vital global priority. Net zero refers to the balance between the amount of GHG emissions produced and the amount removed from the atmosphere. When this balance is achieved, consensus is that we can effectively halt further increases in global temperatures.

Forestry plays a crucial role in addressing climate change and achieving net zero emissions. Forests act as natural carbon sinks, absorbing and storing large amounts of carbon dioxide (CO<sub>2</sub>) from the atmosphere. Sustainable forest management, reforestation, and afforestation efforts can significantly enhance this carbon sequestration potential, effectively reducing GHG concentrations in the atmosphere. Moreover, the use of wood and wood-based products as alternatives to more carbon-intensive materials can help lower our carbon footprint, further contributing to climate change mitigation.

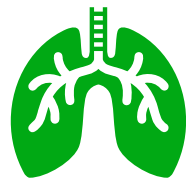
GreenGold takes the challenge of climate change and the goal of net zero emissions very seriously. Committed to contributing to a sustainable future, GreenGold recognizes the crucial role of forestry in addressing climate change and is dedicated to responsible forest management practices that promote carbon sequestration and reduce emissions. Forests also provide a wide range of ecosystem services. In addition to providing food, fuel and fiber, forests clean the air, filter water supplies, control floods and erosion, sustain biodiversity and genetic resources, and provide opportunities for recreation, education, and cultural enrichment. Actively, but responsibly managed forests maximise CO<sub>2</sub> uptake and ensure long term health; GreenGold is fully committed to this endeavour.



**1,616,000 new trees planted by GreenGold during 2024,  
which equals 4,427 trees planted per day in 2024.**



## CO2 Capture



<b>124 K tonnes</b>	<b>33 K tonnes</b>	<b>187 K tonnes</b>	<b>343 K tonnes Total</b>
<b>Forest sink</b>	<b>Product sink</b>	<b>Substitution sink</b>	<b>Net CO2 benefit in 2023</b>

While GreenGold is not currently engaged in any voluntary CO2 projects, the company sees a significant opportunity in this area as the European and EU regulatory frameworks for carbon offsetting become more developed and standardized. Carbon capture by forests comes in different forms:

- Net increase of carbon stored in living trees and thus removed from the atmosphere – the forest sink
- Net increase of carbon stored in wood product – the product sink
- Net decrease of CO2 emissions from the use of coal, oil, natural gas, and cement – the substitution effect

Based on Holmgren 2019 (skogsnaringens-klimatbidrag.pdf) the following key numbers can be used for calculating forest sink, product sink and substitution effect:

- 1.001 tons of CO2 are captured for every m3 of increasing standing forest inventory.
- 0.079 tons of CO2 are captured for every m3 being harvested and turned into products
- 0.447 tons of CO2 are kept underground through substitution for every m3 being harvested

When applied to the actual net increase of GreenGold's portfolio of standing forest inventory and harvest levels for the last 12 months, and also after deducting its own carbon footprint to manage the portfolio, the total net climate benefit is as stated above. This corresponds to the total yearly CO2 footprint emission of ca 40,000 people living in Europe. A small additional amount of carbon dioxide is also captured through an increasing carbon stock under ground because of protecting forests from fire, which is in this case not quantified above.

## Biodiversity and conservation

GreenGold has a main focus on natural forests, with a flexible approach that recognizes the value of prudent forest management. The overarching ambition is to support biodiversity and ecological resilience, acknowledging that natural forests are dynamic and have developed diverse characteristics over time. We believe in a balanced strategy that allows for a variety of species, ages, and structures within our forest landscapes. This is part of our business diversification strategy as well. However, we also understand the necessity of certain intensive management practices, including sanitary cleaning and thinning, to maintain forest health and vitality and protect against pests, disease and fire risk. These actions are taken with careful consideration.

In Europe, where robust environmental frameworks like Natura 2000 are in place, GreenGold consistently meets these requirements for biodiversity and habitat protection. Our approach to forest stewardship is multifaceted, with a range of initiatives aimed at preserving the delicate balance of our ecosystems:

1. Mindful harvesting practices and adapted forestry management with a focus on the best regeneration, promoting natural regeneration where it is possible, to ensure the suitability of forests to the local soil and weather conditions for good resilience, which also generally fosters a naturally more biodiverse forest.
2. Our commitment to sustainability is reflected in the FSC and/or PEFC certification of our forests, signaling our adherence to high environmental standards.
3. Voluntary conservation areas.
4. We take special measures to protect threatened species and support the conservation of deadwood and biodiversity trees within our commercially managed forests.
5. Collaborating with governmental agencies and academic institutions, including participation in projects like INFORMA, GreenGold is dedicated to advancing our understanding of forest ecosystems and the species that rely on them.



# Operations and strategy

As per 31 December 2023 GreenGold had about 16.3 thousand hectares under some form of Natura 2000 designation, which also covers the non-forest areas under GreenGold ownership such as wetlands. Practically all of its forest land was FSC or PEFC certified, with an area of 1,154 hectares as related conservation. The accompanying rules and regulations vary from property to property, but are generally meant to ensure biodiversity and protect certain animal habitats.

Natura 2000	FSC/PEFC certified forest area	Conserved under certification
16,283 ha	74,466 ha	1,154 ha

## Certification

GreenGold is committed to managing forests in the most responsible way possible, and as part of that commitment, has chosen to apply and receive certification for its forest assets. Certification is a valuable tool for sustainability work and provides confidence and acknowledgement both internally and to external partners.

Through certification, GreenGold is able to demonstrate to its stakeholders that it is managing its forests in a responsible and sustainable way. This not only helps to build trust and credibility with customers and investors but can provide a competitive advantage in certain markets. That said, Europe's historic and scientific approach to forestry has contributed to the development of leading sustainable forest management practices. Through ongoing research and collaboration between scientists, forest managers, and policymakers, Europe continues to play a leading role in promoting the responsible and sustainable use of forest resources. Local European forest legislation is already restrictive and founded on strong sustainability principles which GreenGold follows diligently.

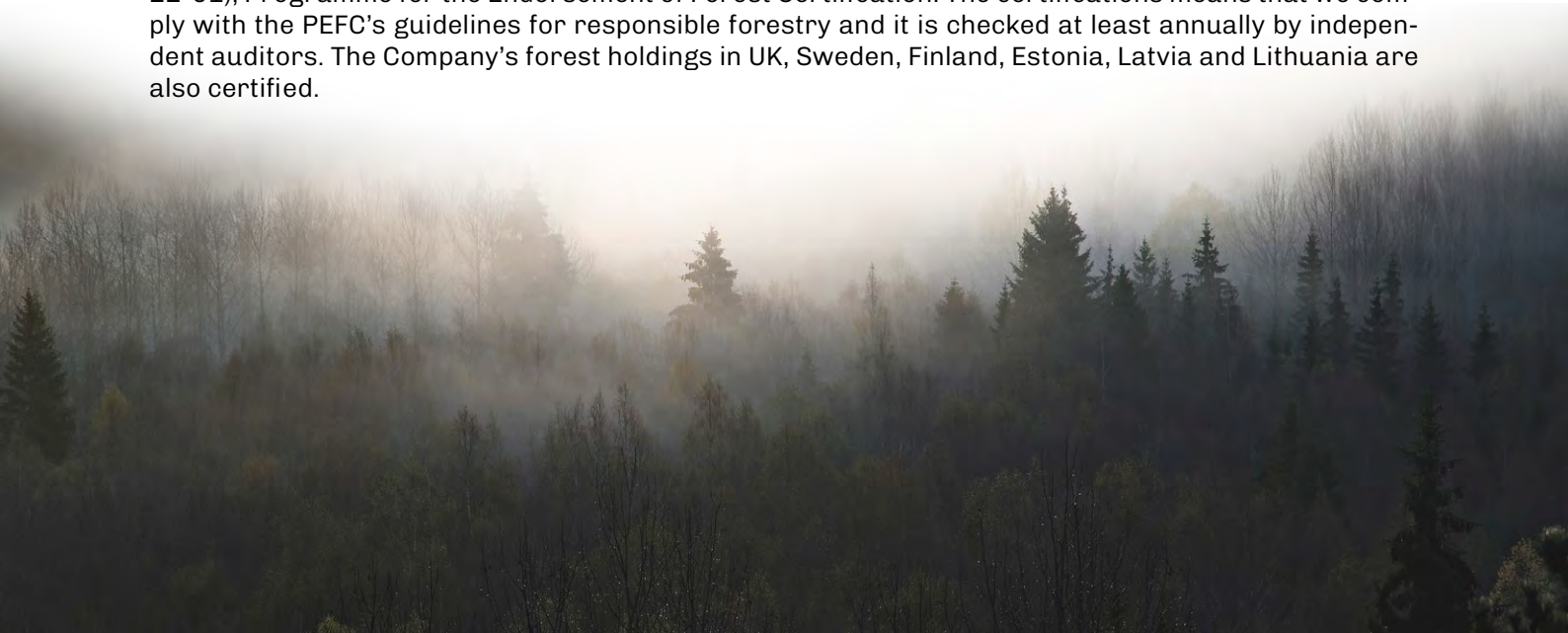
The certification however provides reference and measurable criteria by which forestry meets through independent and transparent certification. This means that GreenGold's forest management practices are independently assessed against a set of rigorous criteria, providing assurance to stakeholders that the company is managing its forests in a responsible and sustainable way.

In the forest industry, there are two leading certification organizations, FSC® – Forest Stewardship Council® (FSC) and PEFC – Programme for the Endorsement of Forest Certification. GreenGold works with both organizations but in different markets.

There are two main differences between the two organizations. PEFC is the forest companies' own organization and is now the largest organisation. The other major difference is that PEFC adapts its rules to national standards.

In summary, certification provides GreenGold with a valuable tool for demonstrating its commitment to responsible and sustainable forestry management practices. Through certification, the company is able to build trust and credibility with its stakeholders and gain a competitive advantage in the marketplace.

Now since 2022 GreenGold's forest management in Romania is certified according to PEFC (PEFC/46-22-01), Programme for the Endorsement of Forest Certification. The certifications means that we comply with the PEFC's guidelines for responsible forestry and it is checked at least annually by independent auditors. The Company's forest holdings in UK, Sweden, Finland, Estonia, Latvia and Lithuania are also certified.







## **Social responsibility**

At GreenGold we know that being a responsible corporate citizen means more than just focusing on our business success. As a forest company, we understand the impact we have on local communities, and our employees, and the responsibility we bear for nature. We take our social responsibility seriously and constantly work to improve the way we contribute to the world around us.

### **Supporting Local Communities and Businesses**

We recognize that our operations directly affect the communities we work in, and we want to make sure our presence brings about positive influence. To do this, we focus on creating jobs, if possible prioritize local suppliers and buyers, and actively participating in community initiatives, contributing to the social and economic growth of the regions where we operate.

In addition to our efforts to support local businesses, we also offer financial support to communities through various initiatives. Especially in Romania the Company has a long history of social support, with a particular focus on children from rural areas and disadvantaged regions, identifying their needs and providing resources to prevent and reduce school dropout rates and improve their level of education.

### **Employee Health, Safety, and Education**

The well-being and safety of our employees are of utmost importance to us. We invest in health and safety programs to ensure that our team members can work in a secure and supportive environment.

We also believe in educating our employees about sustainable forestry practices and the ecosystem services that nature provides. By empowering our team with knowledge about responsible forest management, we can ensure that our operations have a minimal impact on the environment and contribute to the long-term health of the forests under our care.



# Operations and strategy

## A selection of social initiatives and community projects supported by GreenGold

### Lithuania – school collaboration projects

Interactive field projects, to educate about forests and ecosystems and forestry management practices.



### Romania – Leontie Foundation

[www.sfantulleontie.ro](http://www.sfantulleontie.ro)

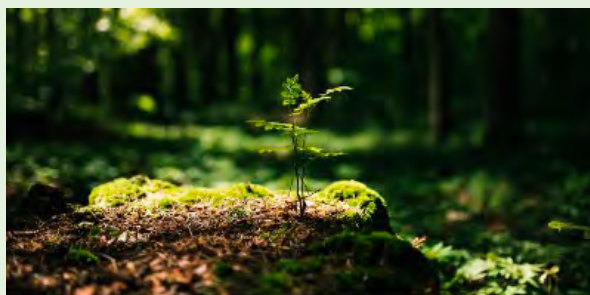
### Romania – ProVita Association

[www.voluntar-provita.ro](http://www.voluntar-provita.ro)

Support for abandoned, neglected or orphaned children. To provide care and shelter to women, mothers and their children, mothers-to-be, homeless adults and abandoned elderly people. Support and shelter provided through social centers and Children's Home settlement.

### Romania – practical training program

GreenGold has established a practical training / internship program in cooperation with the forestry departments of the universities of Brasov / Suceava / Timisoara / Cluj Napoca.



### Lithuania – tree planting festival

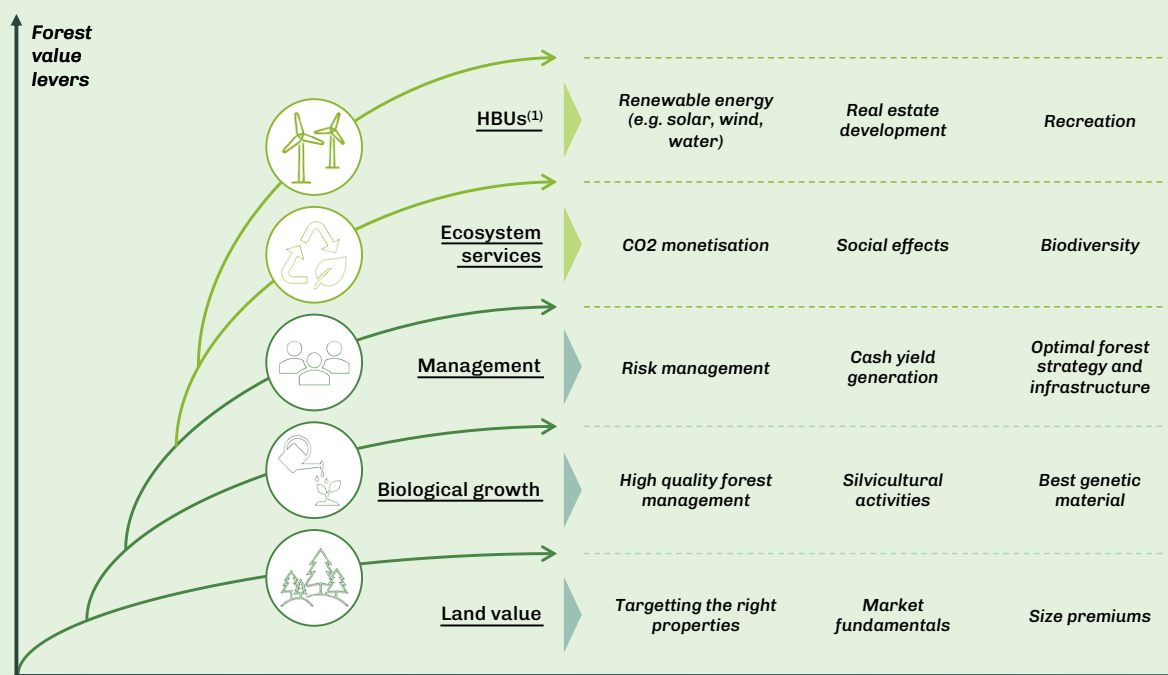
It is now a tradition to organize educational and collaborative tree plantings on "earth day" each year together with other local companies and organisations like Swedish Chamber of Commerce in Lithuania, SKOGRAN and Transcom, Foros and Neste, and all their colleagues and families. This has become a popular and appreciated yearly event.

# Operations and strategy

## The value creation of forests

The GreenGold investment and management model ensures the maximum benefit of the forest land asset opportunity

### Forest value levers



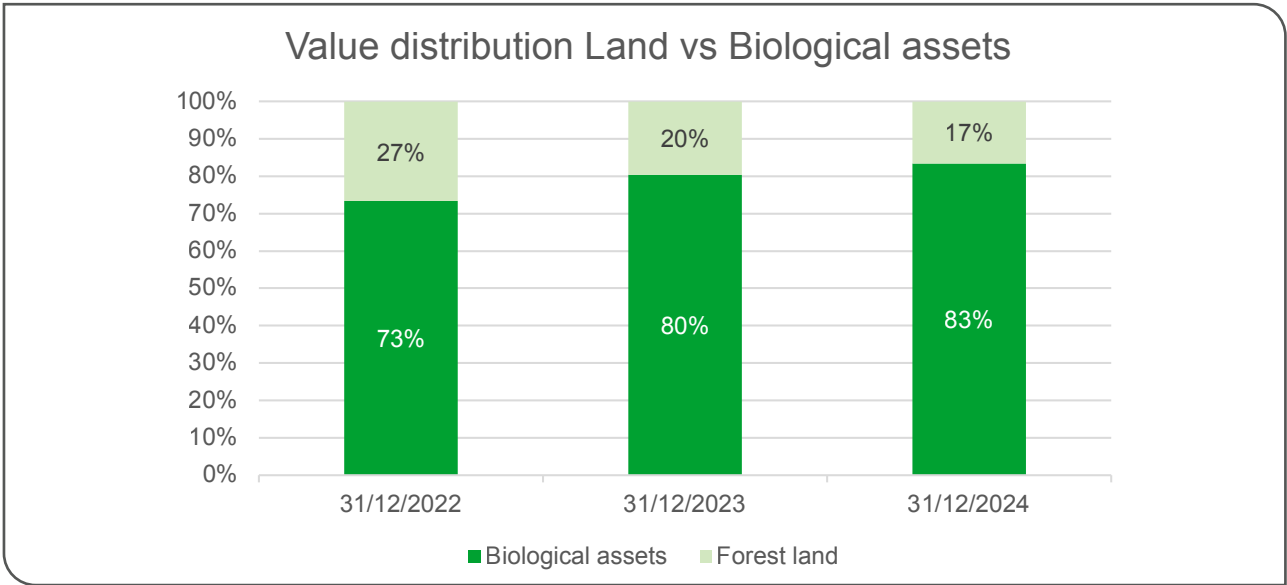
## Forest valuation

GreenGold's forest portfolio has seen a significant increase in value over recent years, driven by both macro and micro factors. As explained in detail in Note 15 – Forest Assets, GreenGold derives the total value of the forest assets for accounting purposes 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. In accordance with IFRS, forest assets need to be separated into Land and Biological assets. Following industry practice, GreenGold calculates the value of the land assets (forest land without trees) as the residual between the total value of the forest assets and the value of the biological assets determined by a DCF model for the same. This also means that while the overall value of forest assets might increase, the exact distribution of value between biological assets and land will depend on the assumptions and forest economics prevalent at any given time, which might shift the implied value of each component relative to each other. While GreenGold strives to enhance the value of its land properties through Highest and Best Use (HBU) projects, the main value is clearly derived from the trees, as evidenced by the significantly increased returns per cubic meter of harvested and sold volume, thereby assigning more value to the biological assets. As more revenue is potentially attributed to the land in the future, this structure might change.

	31/12/2022	31/12/2023	31/12/2024
<b>Value forest assets (EUR thousand)</b>	<b>616,762</b>	<b>661,916</b>	<b>719,356</b>
<b>Value per m3 of SFI</b>	<b>31.6</b>	<b>33.3</b>	<b>35.5</b>



# Operations and strategy



IFRS requires the recognition of deferred tax for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Simply put, a deferred tax liability is recognized on the difference between the historical acquisition cost and the estimated current fair value of the forest assets, regardless of whether that difference would materialize or not.

	31/12/2022	31/12/2023	31/12/2024
Deferred tax liability attributable to forest assets (EUR thousand)	51,245	54,436	63,496



# Shareholder information

## Share structure

GreenGold Group AB is a Swedish public (publ) company which has a broad European ownership base with approx. 200 owners from 15 countries, and a significant ownership by management of the Company.

**The Company has two categories of shares, A and B, with different voting power.**

**A shares** – GreenGold founder and CEO - Sorin Chiorescu

**1 share = 10 voting rights**

**B shares** – ordinary shares

**1 share = 1 voting right**

**A and B shares carry equal rights towards GreenGold's assets and profits.**

Primary preferential rights for both A and B shareholders in case of capital increase, pro-rata to the number of shares previously owned in their respective class of shares

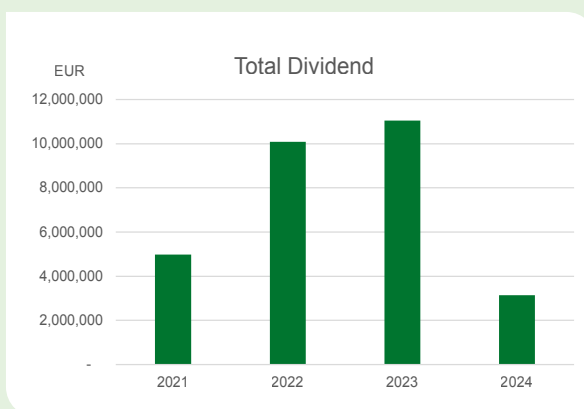
GreenGold's shareholder register is administrated by The Swedish Central Securities Depository (Euroclear Sweden). Name: GREENGOLD, ISIN: SE0014583647

## Number of outstanding shares as per: 31 December 2024

**A-shares:** 934,000

**B-shares:** 9,553,585

**Total:** 10,487,585

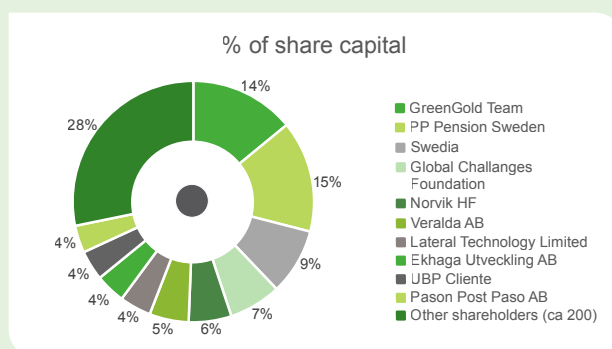


## Dividend

The company previously paid dividends twice a year, based on the operating profit for the preceding six months. As of 2024, the company has a new dividend policy under which dividends are henceforth decided on an annual basis by the ordinary Annual General Meeting, taking into account the year's free cash flow in relation to investment opportunities, strategic objectives, and the current financial position.

## Shareholders

Largest 10 shareholder/shareholder groups as per 31 December 2023 according to Euroclear (% of outstanding A and B shares).





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# Board of Directors report

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The Board of Directors and the CEO of GreenGold Group AB (publ), corporate identity number 559168–7719 (the “Company” or, together with its subsidiaries, the “Group”), hereby submit their annual report for 2024 in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board’s recommendation RFR 2. Under these rules, the Parent Company applies all EU- approved IFRS Accounting Standards and related interpretations to the extent possible under the framework of the Annual Accounts Act (ÅRL) and with due regard to the connection between accounting and taxation. RFR 2 specifies the exceptions and additional rules that apply in relation to IFRS. The Parent Company applies the same accounting principles as the Group, except as noted below under “Parent Company’s Accounting Principles.”

The Group’s consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), as well as interpretations from the IFRS Interpretations Committee approved by the EU Commission for application within the EU. Furthermore, the Swedish Financial Reporting Board’s recommendation RFR 1 – Supplementary Accounting Rules for Groups has been applied.

This report has been prepared in Swedish, with this English version serving as a translated copy. Should any discrepancies arise between the contents of the Swedish and the English versions, the Swedish version shall prevail.

## **Incorporation**

GreenGold Group AB (publ) is a public limited liability company, corporate identity number 559168–7719, with its registered office in Stockholm, Sweden. It was formed in 2018. Today, the Group has established operations in Sweden, Finland, the United Kingdom, Estonia, Latvia, Lithuania, and Romania.

## **Principal Activities**

The Company shall directly or indirectly, through subsidiaries, associated companies, or other collaborations conduct industrial forestry operations with continuous delivery capacity, as well as activities compatible therewith.

## **Reporting Currency**

The Group’s consolidated financial statements are reported in EUR.



# Board of Directors report

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## Change in Accounting Principle

Since the 2023 financial year, the Company has transitioned from BFNAR 2012:1 (K3) to IFRS Accounting Standards. Accordingly, 2024 is the second financial year in which the Company's accounts are prepared under IFRS. For detailed information on the transition to IFRS and how it has affected historical financial reports, please refer to Note 3 in the 2023 Annual Report.

## Significant Events During the Year

In 2024, GreenGold continued acquiring forest properties and conducting sustainable forestry operations across all its regions. At the same time, the Company progressively strengthened its administrative and financial infrastructure in preparation for a possible future stock-market listing. Market conditions for timber especially for been somewhat more volatile compared with the previous year, whereas the hardwood segment has shown stability.

## Sustainability

The Group continues to maintain a strong focus on sustainability, with particular regard to local communities and stakeholders. Its operations generate a net uptake of CO<sub>2</sub>. Calculations of CO<sub>2</sub> sequestration relative to the Group's own emissions are carried out according to recognized methodologies. The majority of the Group's forestland remains FSC® or PEFC™ certified. As part of its strategy, the Group's operations are spread over multiple countries and regions, and the Group carries no external debt.

## Comments on the Development, Position, and Performance of the Group

### Net Sales and Total Income

According to the consolidated summary for the financial year ended December 31, 2024, the Group's net sales amounted to EUR 19.9 million, compared with EUR 22.3 million for 2023. This represents a decrease of approximately 11–12% year on year, mainly attributable to somewhat lower harvesting volumes and slightly lower market prices during parts of the year. The Group's other operating income in 2024 was in line with the previous year.





# Board of Directors report

## Adjusted EBITDA (Excluding Changes in the Value of Biological Assets)

In order to monitor underlying business performance, the Group excludes unrealized changes in the value of biological assets from adjusted EBITDA. In 2024, adjusted EBITDA was EUR 13.1 million, compared with EUR 15.4 million in 2023. This corresponds to a decrease of around EUR 2.3 million, or just over 14%. The decline is mainly due to a lower operating result (before change in the value of biological assets), which in turn was affected by slightly lower market prices and lower harvesting volumes during portions of the year. By excluding changes in the value of forest assets, adjusted EBITDA provides a more accurate picture of operational profitability.

## Operating Result and Result After Financial Items

The Group's operating result (EBIT) for 2024 was EUR 61.8 million (EUR 76.0 million in 2023). The decrease is largely attributable to smaller valuation changes in biological assets relative to the previous year. The result after financial items was EUR 49.8 million (EUR 64.7 million in 2023). The Group's profitability remains strong.

## Liquidity and Financial Position

The business is primarily financed through equity. The Group continues to have no external loans, and it maintains a stable cash position to carry out planned acquisitions and investments in forestry. The Company thus has a strong financial position and is less sensitive to interest-rate increases.

## Proposed dividend

During 2024, the Company adhered to the dividend policy introduced in 2024, whereby dividends are decided at the Annual General Meeting. Proposals for annual dividends are determined by the Board, taking into account the year's free cash as cash flow from operating activities after considering capitalized forest-management costs, considered maintenance CAPEX. The Board also takes into account other relevant factors that balance the immediate transfer of value to shareholders with investment opportunities, strategic objectives, and the current financial position. The board of directors has proposed that the annual general meeting 2025 resolve on a dividend to the shareholders of EUR 0.36 per share to be paid in two instalments. EUR 0.18 per share is paid at the first instalment with the record date Thursday, 5 June 2025. At the second instalment, EUR 0.18 per share is paid. The board of directors is proposed to be authorized to decide the record date for second instalment, to occur during December 2025.

## Future Developments

The Board does not anticipate any major changes to the Group's primary focus. GreenGold Group AB intends to continue pursuing profitable growth through further acquisitions of forest properties in Northern Europe and the Baltics. The Company continuously evaluates the possibility of listing its shares on a regulated market in Europe. The timing of any potential listing will be determined by the Board, following a comprehensive assessment of market conditions and the Company's readiness.

## Issued Capital

Under the Articles of Association, the Company's share capital shall be not less than EUR 230,500 and not more than EUR 922,000. As of December 31, 2024, the share capital amounted to EUR 383,386, distributed among 10,487,585 shares.





# Board of Directors report

## Board of Directors

As of the date of this report, the following individuals serve on the Company's Board of Directors:

- Göran Persson
- Fredrik Persson
- Malcolm Cockwell
- Johanna Ikäheimo
- Guðmundur Halldór Jónsson
- Martin Randel

## Independent Auditors

The Company's independent auditors in 2024 were KPMG AB.

## Parent Company

GreenGold Group AB (publ), as the Parent Company, is responsible for overall funding and strategy within the Group. Net sales in the Parent Company in 2024 were relatively limited and consisted primarily of administrative services provided to its subsidiaries. According to the attached multi-year summary, the Parent Company's net sales for 2024 amounted to EUR 156 thousand (EUR 138 thousand in 2023). The Parent Company's result after financial items was EUR 1.07 million (EUR 3.57 million in 2023). The Parent Company has no external debt and maintains sufficient liquidity to support the continued growth of its subsidiaries.

## Historical financial data

GROUP (EUR THOUSAND)	2024	2023	2022
Net sales	19,938	22,311	20,496
Operating profit	61,774	76,040	125,166
Net profit for the year	49,791	64,689	106,408

PARENT COMPANY (EUR THOUSAND)	2024	2023	2022
Net sales	156	138	149
Operating profit	- 2,037	- 4,016	- 2,352
Net profit for the year	1,067	3,574	296

## Proposal for profit allocation

The Board proposes that the available earnings of, 359,243,468 EUR, be allocated as follows:

Total available funds for distribution (EUR)	EUR
Share premium	339,046,415
Retained earnings incl profit for the year	20,197,053
<b>Total non-restricted equity</b>	<b>359,243,468</b>
<b>Proposed to be allocated as follows: (EUR)</b>	
An ordinary dividend of EUR 0.36 per share <sup>1</sup>	3,786,331
To be carried forward <sup>2</sup>	355,457,137
<b>Sum</b>	<b>359,243,468</b>

1) EUR 0.36 per share, total amount based on 10,517,585 outstanding shares as per April 25, 2025.

2) Of which share premium 339,046,415 EUR

# Board of Directors report

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## Significant Risks and Uncertainty Factors

The Group is exposed to market risks arising from changes in global timber prices, exchange rates, inflation, and interest rates. Currency risk arises to the extent that sales revenues, costs, receivables, loans, and liabilities are denominated in currencies other than EUR. The Group is also exposed to the biological risks inherent in forests and forestry. The Group works continuously to mitigate these risks and limit any damage should a particular risk materialize.

### Impact of Climate Change

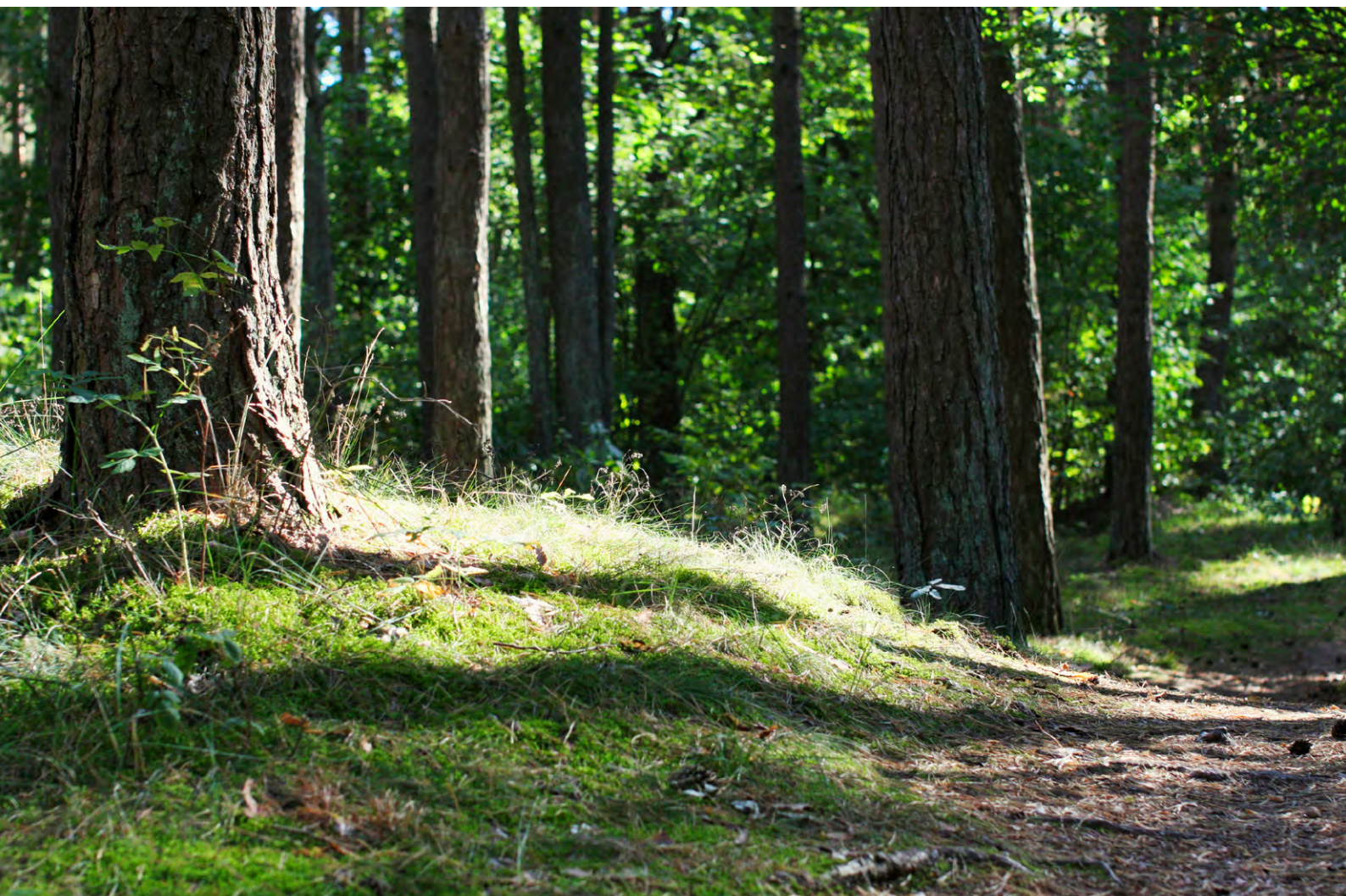
The Company faces risks related to climate change, which can lead to reduced forest productivity, damage to infrastructure, and increased susceptibility to pests and diseases. These factors can adversely affect tree growth, yields, and overall forest health, which in turn can impact the Company's profitability and sustainability.

### Regulatory and Political Uncertainty

The Company is exposed to the risk of changes in environmental legislation, land-use policies, and forest-management practices at both the national and EU levels. Such changes may increase operating costs, restrict harvest volumes, or even mandate changes in land use, which can affect the Company's operations and profitability.

### Market Volatility

The Company faces fluctuations in demand and supply in the timber market, which can influence timber prices and the Group's profitability. Factors such as economic downturns, trade policies, and shifts in consumer preferences can cause volatility in market conditions, posing risks for the Group's financial results.





# Board of Directors report

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## Fire Risk

The Company is exposed to the risk of forest fires, which can cause significant damage to timber resources, infrastructure, and other assets. Climate change exacerbates this risk by increasing average temperatures and prolonging drought conditions. However, the Group actively manages its properties and collaborates with local authorities to minimize fire risk and ensure a swift response when fires do occur.

## Property Price Fluctuations

The Company's assets and potential returns on investment may be affected by changes in property prices. Market volatility can pose challenges in acquiring, selling, or managing forest properties.

## Dependence on Key Individuals

The Company relies on the expertise and leadership of certain key individuals, and any sudden loss of a key person could adversely affect operations, performance, and strategic direction. This reliance underscores the need for effective succession planning, knowledge transfer, and talent development. The Company's ongoing success depends on its ability to identify, hire, and retain qualified, experienced members of management and other key personnel.

## Geopolitical and War Risks

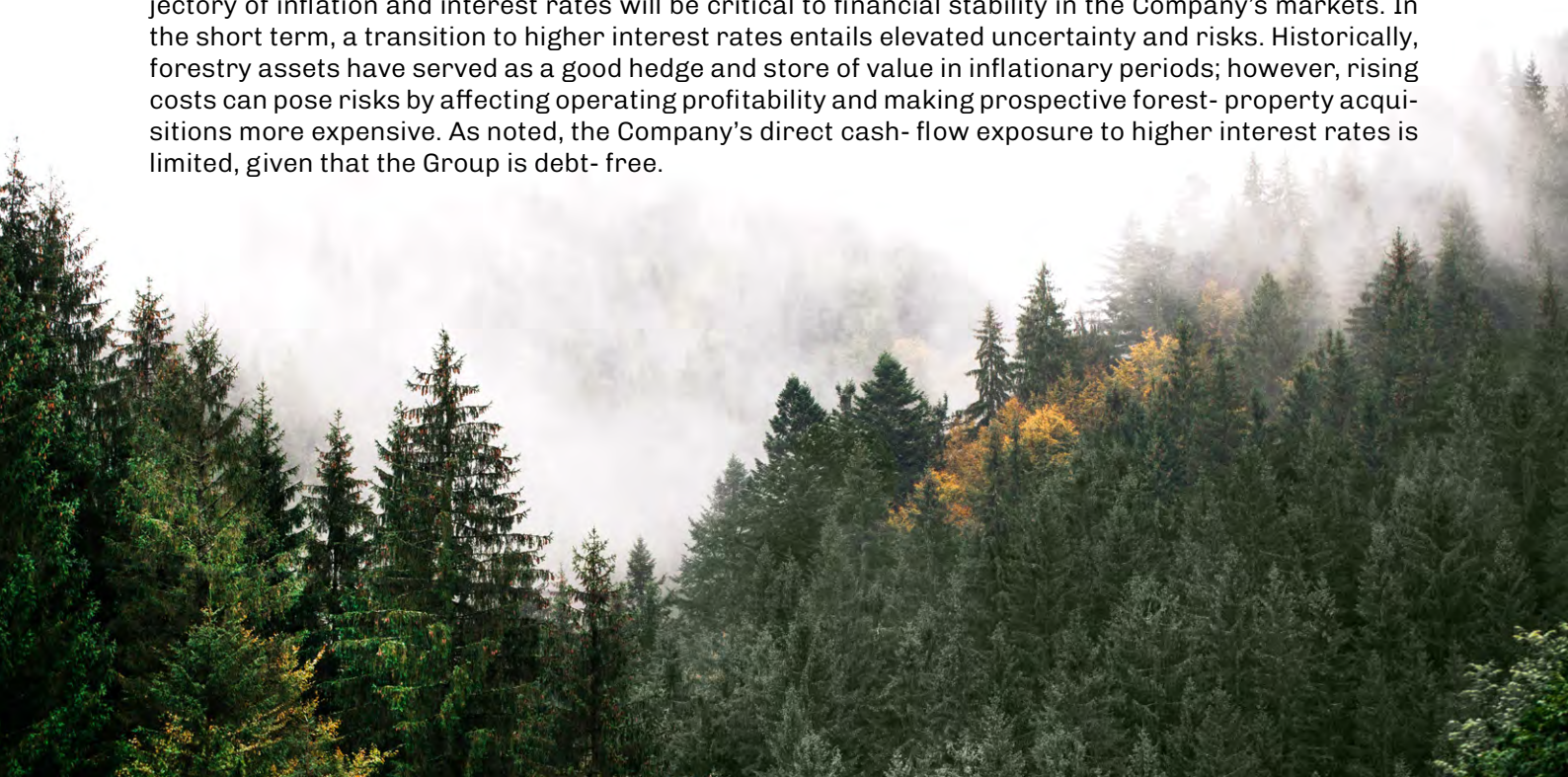
The Company faces risks associated with geopolitical tensions and the ongoing conflict between Russia and Ukraine, which can affect stability in regions where its forest properties are located. War or military action could disrupt operations, damage forest properties, and adversely affect local and international markets. Such events may also increase uncertainty and volatility in financial, regulatory, and business environments. With the inclusion of Sweden and Finland in NATO, all countries in which the Group operates are now NATO members.

## Macroeconomic Risks

The global economic environment can significantly influence the Company's operations. Inflation, unemployment, and GDP growth are directly connected to each country's economic framework, and changes therein may create chain reactions throughout the business. Historically, there has been a strong correlation between international construction activity and the price of sawn timber; because the Company's prices are closely linked to international timber prices, factors such as overall macroeconomic trends, housing construction activity, geopolitical events, and natural disasters can negatively impact the Group's operations and financial position.

## Inflation

High inflation in the Euro area has led to increased interest rates and rising rate expectations. The trajectory of inflation and interest rates will be critical to financial stability in the Company's markets. In the short term, a transition to higher interest rates entails elevated uncertainty and risks. Historically, forestry assets have served as a good hedge and store of value in inflationary periods; however, rising costs can pose risks by affecting operating profitability and making prospective forest- property acquisitions more expensive. As noted, the Company's direct cash- flow exposure to higher interest rates is limited, given that the Group is debt- free.



# Corporate governance

## Corporate Governance overview

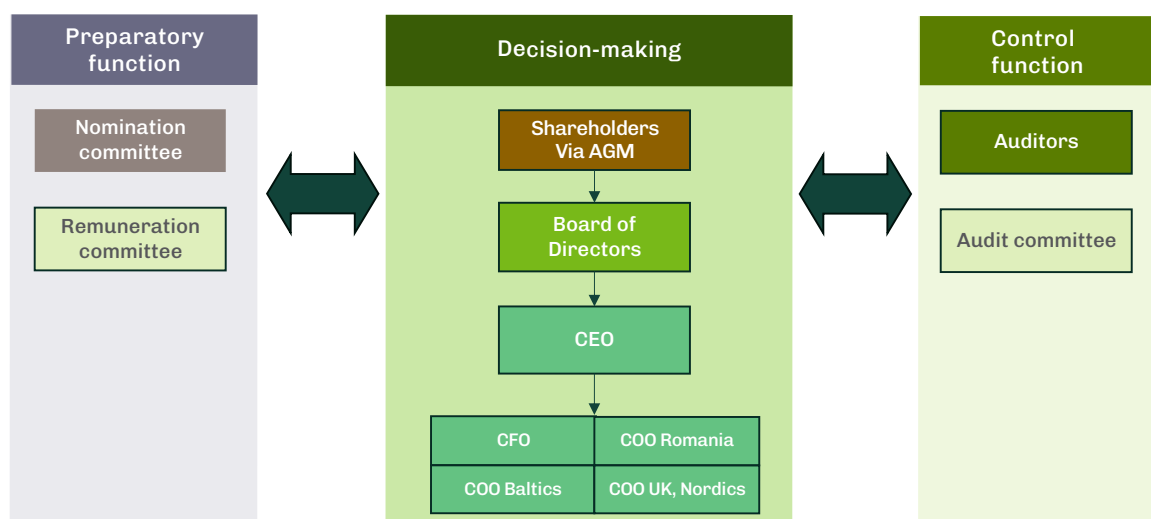
### Corporate governance at GreenGold

Corporate governance at GreenGold aims to ensure the company's commitments to all stakeholders and to support the company's long-term strategy, market presence, and competitiveness.

GreenGold, which is a Swedish public limited company (publ), is governed by Swedish legislation (including the Swedish Companies Act), the Articles of Association, internal regulations, Swedish Corporate Governance Code ("the Code").

On these pages, the governance framework and the Group's corporate governance are described, including the organizational structure. It also outlines the Board's responsibilities, its work during the year, and GreenGold's internal control. Furthermore, it provides an overview of principles for remuneration and remuneration-related matters.

GreenGold voluntarily applies the Code ([www.bolagsstyrning.se](http://www.bolagsstyrning.se)) and complies with its rules, except in the following instances in which the Company has chosen alternative solutions or not followed certain Code recommendations during 2024. First, under Rule 4.1, the Code recommends that the board's composition should reflect diversity and breadth, striving for an even gender distribution. Currently, one out of six board members is female, equating to approximately 17% female representation. Due to continuity needs and the specific expertise required for GreenGold's operations, the Company has not yet achieved a balanced gender distribution and unclear if and when so might occur given the specific requirements of Board members, although the nomination committee is actively seeking additional qualified female candidates for future election cycles. Second, regarding Rules 2.6–2.7, which require that the nomination committee's proposals or the Corporate Governance Report present each proposed board member's holdings, GreenGold's 2024 Corporate Governance Report does not individually list these shareholdings but instead opted for aggregated information. Third, despite Rule 2.3's stipulation that neither the CEO nor other executive management should sit on the nomination committee, GreenGold's CEO did participate in 2024. As the founder and majority shareholder in terms of votes, his involvement was deemed advantageous for representing the perspective of the largest owner. Finally, GreenGold does not subject its interim reports to auditor review; considering cost aspects and internal processes the Company considers the current treatment to be sufficient, however, if and when the Company becomes listed it will comply with this rule. GreenGold remains committed to good governance and will continue evaluating these points, aiming to enhance compliance and transparency going forward. Governance must be reliable, clear, simple, and business-focused. This corporate governance report is part of the Directors' Report in GreenGold's 2024 Annual Report pursuant to Chapter 6, Section 6 of the Annual Accounts Act (1995:1554). The report has been audited by the Company's auditor.





# Corporate governance

## GreenGold's Governance

### Shareholders and Share Capital

GreenGold Group AB (publ) has two classes of shares, A and B, which confer the same rights to the company's assets and profits but differ in voting rights (A share = 10 votes, B share = 1 vote). As of December 31, 2024, there were a total of 10,487,585 shares, of which 934,000 were A shares and 9,553,585 were B shares. The company has approximately 200 shareholders, mainly European, as well as a significant ownership by the GreenGold management team.

### General Meeting

The company's highest decision-making body is the General Meeting of Shareholders. The Annual General Meeting (AGM) should take place within six months after the end of the financial year, usually occurs in May, where, among other things, the Board and auditors are elected, and the Annual Report is adopted. Notice is given in accordance with the Swedish Companies Act through announcements in the Official Swedish Gazette (Post- och Inrikes Tidningar) and on the company's website ([www.greengold.se](http://www.greengold.se)). The right to participate in the general meeting is granted to shareholders who are entered in the share register in accordance with Chapter 7, Section 28, third paragraph of the Swedish Companies Act (2005:551), and who have notified the company no later than the date specified in the notice to attend the general meeting. The articles of association contain no special provisions regarding the appointment and dismissal of board members, amendments to the articles of association, or voting procedures, and the general meeting is therefore governed by the main rules of the Swedish Companies Act. A dividend is set annually by the AGM based on the previous year's financial results.

### Nomination Committee

The Nomination Committee is appointed according to a process decided by the AGM and consists of representatives of the company's four largest shareholders, as well as the Chair of the Board as an adjunct member. The Nomination Committee presents proposals regarding, for example, the composition and Chair of the Board, board fees, and auditors.

### Board of Directors

The Board has the overall responsibility for the company's organization and management through the ongoing monitoring of operations, ensuring an appropriate organization and leadership, and ensuring that guidelines and internal control are suitable and adhered to. The Board sets strategies and targets, and also decides on matters such as major investments and acquisitions or divestments of operations.

GreenGold's Articles of Association stipulate that the Board shall consist of at least 3 and at most 8 members.





# Corporate governance

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## Chair of the Board

The Chair leads the Board's work and is responsible for ensuring that it is well organized and carried out efficiently. This includes, among other things, ongoing dialogue with the CEO to monitor the company's operations and ensuring that the other Board members receive the information and documentation needed for high-quality discussions and decision-making. The Chair also leads the evaluation of the Board's and the CEO's work and represents the company in shareholder matters.

## Board Committees

The Board has established committees to specifically oversee and prepare matters within each committee's area of focus. Committee members are normally appointed at the statutory Board meeting held immediately after the AGM. Guidelines for the committees' work are set out in the Board's rules of procedure. In addition, there are specific instructions for the Audit Committee and the Remuneration Committee. The issues handled by the committees are documented and reported at the next Board meeting. The composition of the committees may be changed by Board decision.

## Audit Committee

The Audit Committee is responsible for overseeing the company's financial reporting process, internal control system, and risk management. The committee works to ensure that the company's financial reports are accurate, complete, and prepared in accordance with applicable accounting standards and regulations.

### *The primary functions of the Audit Committee include:*

- a. Reviewing and overseeing the financial reporting process and the quality of the financial reports, placing particular emphasis on the valuation of GreenGold's forest portfolio
- b. Assessing the effectiveness of the company's internal controls and risk management with respect to financial reporting
- c. Monitoring the company's relationship with the external auditor, including the selection, appointment, and
- d. Evaluation of their performance and ensuring the external auditor's independence and objectivity. The committee meets regularly with the company's auditor to gain insight into the focus, scope, and results of the audit and discusses the coordination between the auditor and the internal control activities, as well as the auditor's view of the company's risks.





# Corporate governance

## Remuneration Committee

Its primary function is to assist the Board in its supervisory responsibility by reviewing and making recommendations regarding remuneration to the company's executive management. The committee ensures that compensation is competitive, supports the company's strategic goals, and aligns with shareholders' long-term interests. The committee also monitors and evaluates outcomes and programs for variable remuneration in accordance with principles approved by shareholders at the General Meeting.

## Chief Executive Officer (CEO) and Group Management

GreenGold's CEO and Group President are responsible for and manage the day-to-day administration of the Group according to the guidelines and instructions from the Board. The CEO is supported by a Group management team, which includes the CFO, Head of Business Development, as well as regional operational managers. The company's forestry operations are decentralized; local teams handle logging, forest management, and general operations in each geography.

In the Board's rules of procedure and the Board's instructions for the CEO, the division of responsibilities between the Board and the CEO is clarified. In consultation with the Chair of the Board, the CEO prepares documentation and materials for the Board's work.

So-called management meetings take place quarterly, bringing the Group management together for collective discussions. These meetings complement the daily monitoring of operations.

## External Auditors

The company's auditor, elected at the AGM, audits GreenGold's financial statements, including the consolidated financial statements of the Group and the Board's and the CEO's administration, as well as the annual reports of the subsidiaries, and issues the Audit Report.

The audit is conducted in accordance with the Swedish Companies Act, the Annual Accounts Act, International Standards on Auditing (ISA), and generally accepted auditing standards in Sweden. The auditor regularly reports on the audit work to the Audit Committee and the Board.

## Regulatory Compliance

GreenGold strives for full compliance with applicable laws and regulations, including the Swedish Companies Act, the Annual Accounts Act, and, where applicable, the Swedish Corporate Governance Code. During 2024, no sanctions have been imposed on GreenGold for any breach of regulations.

### *Internal regulations include:*

- Articles of Association
- Board's rules of procedure
- CEO instruction
- Code of Conduct
- Other policy documents decided by the Board and instructions decided by the CEO

### *External regulations include:*

- Swedish Companies Act
- Swedish Annual Accounts Act
- IFRS Accounting standards
- Swedish Corporate Governance Code
- Applicable EU regulations

# Corporate governance

**More information about GreenGold's corporate governance can be found at [www.greengold.se](http://www.greengold.se).**

That includes, among other things:

- GreenGold's Articles of Association
- Copies or extracts of relevant corporate policies
- Instructions for the Nomination Committee
- Information from previous years' Annual General Meetings since 2022 (notices with attachments, minutes)
- Information from the Nomination Committee since 2022 (composition, proposals, and work)
- Information ahead of the 2025 AGM (notice, Nomination Committee's proposals, including details on how to register for participation, etc.)



## Standard annual governance wheel

### DECEMBER | BoD meeting

- Budget

### NOVEMBER | BoD meeting

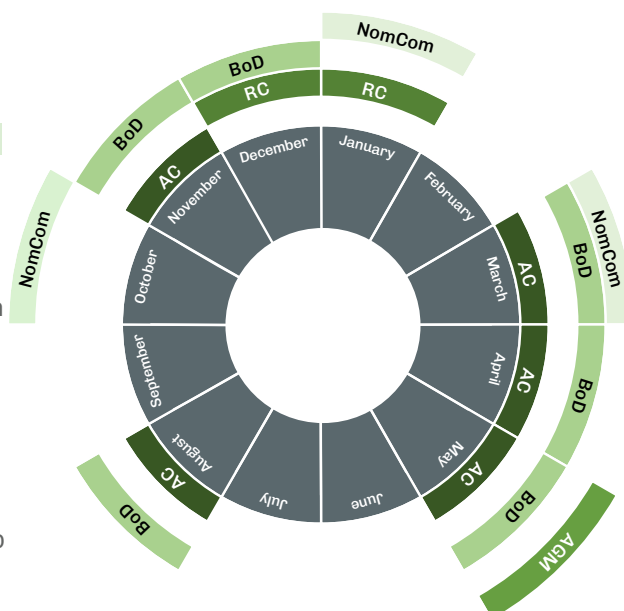
- Interim report
- Operational update
- Liquidity
- Risks
- Board work evaluation

### AUGUST | BoD meeting

- Interim report
- Operational update
- Liquidity
- Risks
- BEP half year follow up

### MAY | BoD meeting

- Statutory meeting
- Annual review of policies



AC – Audit Committee  
BoD – Board meeting  
AGM – Annual General Meeting

RC – Remuneration Committee  
NomCom – Nomination Committee

### MARCH | BoD meeting

- Interim report
- Operational update
- Liquidity
- Risks
- Strategy
- Remuneration policy
- Succession plan
- Dividend proposal

### APRIL | BoD meeting

- Annual report
- Meeting with auditors
- AGM proposals
- AGM notice

### MAY | BoD meeting

- Interim report
- Operational update
- Liquidity
- Risks



# Corporate governance

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## Activities during 2024

### Annual General Meeting

The Annual General Meeting was held on May 24, 2024, in Stockholm. Shareholders could also exercise their voting rights by postal vote before the meeting. A total of 5,786,860 shares and 15,544,021 votes were represented at the meeting, corresponding to approximately 55.69% of the total number of registered shares and 77.78% of the total number of registered votes. The company's shareholders were represented in accordance with the Articles of Association. Göran Persson was elected Chair of the meeting. In addition to approving the Nomination Committee's proposals for the election of Board members and auditors and their remuneration, etc., and handling the standard corporate matters such as adopting the financial statements and granting discharge from liability for Board members and the CEO for the financial year, the meeting approved the Board's proposal for a dividend for the 2024 financial year of EUR 0.30 per share. It was also resolved to authorize the Board, on one or more occasions until the next AGM and within the limits of the Articles of Association, to decide on the issuance of new shares, warrants, and/or convertible debentures, with or without preferential rights for existing shareholders and/or with provisions on contribution in kind, set-off, or other terms in accordance with the Swedish Companies Act. The Board's undertaking to utilize this authorization for up to a maximum of 5 million shares was noted.

Comprehensive information about the 2024 AGM is available at [www.greengold.se](http://www.greengold.se).

### Nomination Committee

The AGM resolved on how the Nomination Committee is appointed and its tasks. The Nomination Committee shall present proposals for the Meeting Chair, Board composition, Board Chair, Board fees for the Chair and other members, as well as proposals for the auditor and the auditor's fee. In its work, the Nomination Committee has considered the rules concerning the members' independence as well as competence and experience relevant to GreenGold. The Nomination Committee for 2024 comprised Carl Lindgren (Chair) – appointed by PP Pension and Global Challenges Foundation, Staffan Persson – appointed by Swedia, Sorin Chiorescu – appointed by Forestum Capital, and Göran Persson (adjunct), representing around 41% of the share capital and 70% of the votes.

### Nomination Committee Composition for the 2025 AGM

The Nomination Committee for the 2025 AGM comprises Carl Lindgren (Chair), Staffan Persson, Sorin Chiorescu, and Göran Persson (adjunct). The Nomination Committee's proposals for the 2025 AGM are set out in the notice convening the meeting on GreenGold's website [www.greengold.se](http://www.greengold.se). The 2025 AGM will be held on May 26, 2025. Since its appointment, the Nomination Committee has met three times. The Chair of the Board reported the Board evaluation that has been conducted and informed the Nomination Committee about the Board's and the committees' work during the year.

### Board of Directors 2024

At the AGM on May 24, 2024, it was decided, in accordance with the Nomination Committee's proposal, to re-elect all six board members:

- Göran Persson (Chair)
- Fredrik Persson
- Gudmundur Johnson
- Martin Randel
- Malcolm Cockwell
- Johanna Ikäheimo

GreenGold meets the requirements of the Code, which state that no more than one board member elected by the AGM may also work in the company's management, that a majority of the AGM-elected board members shall be independent in relation to the company and its management, and that at least two of these members shall also be independent in relation to the company's major shareholders. All members are independent of major shareholders; currently, there is no board member who is also part of the company's management. All AGM-elected members also have insights or experience of the requirements placed on listed companies and associated corporate governance. All members are independent in relation to major shareholders. The Board in 2024 has a gender distribution of 17% women and 83% men (1 woman and 5 men). The Board has overall responsibility for the company's long-term strategy and organization, and it supervises the management's administration.

# Corporate governance

## Board Meetings and Work in 2024

The Board follows an annual corporate governance calendar and meets as needed. The rules of procedure, together with the annual calendar, describe in detail which regular agenda items should appear at the various board meetings throughout the year. Recurring items include financials, markets, investments, and the adoption of financial statements. The Board also establishes and evaluates the company's overall goals, strategy, and budget, and decides on key internal policies and rules. Ongoing throughout the year are reports from the Audit and Remuneration Committees, as well as reports on internal control and financing activities.

During 2024, the Board held a total of 13 meetings (4 physical, 3 via video conference, and 6 per capsulam). At least once a year, the Board meets with the auditor without the CEO or other members of management present. During the year, certain board members also made on-site visits to GreenGold's operations and took part in a study visit at Stockholm Exergi.

The Chair of the Board is responsible for ensuring that the work is well organized and efficient, and that the Board receives the decision support it needs. The Chair also leads the annual evaluation of the Board's and the CEO's performance, which is reported to the Nomination Committee if needed.

## Committee Work

The Audit Committee for 2024 was decided to consist of Gudmundur Johnsson (Chairman) and Fredrik Persson.

At the end of 2024, it was decided that Malcolm Cockwell will also join the Audit Committee starting in 2025, which will then have three members.

The Remuneration Committee in 2024 consisted of Göran Persson (Chairman) and Martin Randel.

- Audit Committee: Oversees financial reporting, internal control, risk management, and contact with the auditor. In 2024, the Audit Committee held 5 meetings.
- Remuneration Committee: Prepares matters regarding remuneration, terms of employment, and incentive programs for the CEO and senior executives. In 2024, the committee held 2 meetings.

Board fees were set by the 2024 AGM at SEK 230,000 for the Chair and SEK 115,000 for each of the other members. No additional fees are paid for committee work. Members residing abroad are compensated with EUR 500 per physical meeting plus reasonable travel expenses. See Note 8 for further details on remuneration.





# Corporate governance

## Evaluation of the Board's Work

The Board's work in 2024, as well as that of its Chair and the CEO, has been evaluated through a systematic and structured process. The aim is to provide a basis for the Board's own development work and to provide the Nomination Committee with a basis for its nomination work. In 2024, the evaluation was carried out via a questionnaire and through group and individual discussions between the Chair and the members. The evaluation covers areas such as the Board's work procedures, efficiency, competence, and work during the year. A summary of the results has been reported back to the Board. The Nomination Committee has also been informed of the results of the evaluation.

## External Auditor

The auditor is elected at the AGM for a term of one year. At the 2024 AGM, KPMG AB was re-elected as the company's auditor, with Authorized Public Accountant Helena Arvidsson Älgne as principal auditor. The auditor examines the annual financial statements, the accounting records, and the administration by the Board and the CEO, and regularly reports to the Audit Committee and the Board.

## Major Shareholders

At the end of the financial year, Forestum Capital AB was the only shareholder in GreenGold that held shares representing at least one-tenth of the total number of votes for all shares in the company. Forestum Capital AB owned 934,000 A shares and 150,129 B shares, corresponding to 10.3% of the capital and 50.2% of the voting rights in the company.

The company has two classes of shares: A shares with ten votes per share and B shares with one vote per share. As a result, Forestum Capital AB, despite holding one-tenth of the share capital, has a controlling voting interest in the company.

Name	Year of birth	Elected to the Board	Position	Remuneration committee	Audit committee	Per-capsulam Board meetings Attended/ Meetings	Video board meetings Attended/ Meetings	Physical board meetings Attended/ Meetings	Total Board meetings Attended/ Meetings	Attendance %	Annual Board compensation (SEK)
Göran Persson	1949	2018	Chairman	X		6/6	3/3	4/4	13/13	100%	230,000
Fredrik Persson	1984	2018	Member		X	6/6	3/3	4/4	13/13	100%	115,000
Martin Randel	1974	2020	Member	X		6/6	3/3	4/4	13/13	100%	115,000
Gudmundur Jonson	1977	2022	Member		X	6/6	3/3	4/4	13/13	100%	115,000
Johanna Ikäheimo	1968	2022	Member			6/6	3/3	4/4	13/13	100%	115,000
Malcolm Cockwell	1988	2023	Member			6/6	3/3	4/4	13/13	100%	115,000
											805,000

Remuneration committee	Number of meetings	Meetings attended
Göran Persson (Chair)	2	2
Martin Randel	2	2

Audit Committee	Number of meetings	Meetings attended
Gudmundur Johnson (Chair)	5	5
Fredrik Persson	5	5

## Remunerations, Management and Board

### Guidelines

Remuneration to senior executives follows the Remuneration Policy adopted by the Board. The aim is to ensure fair compensation that promotes performance, loyalty, low employee turnover, and a sustainable mindset. In addition to the Remuneration Policy, there are remuneration principles decided by the shareholders or set out in employment contracts. Total remuneration consists of fixed salary, variable remuneration, other benefits, and pensions. See Note 8 for details.

### Remuneration to the CEO and Other Senior Executives

Remuneration to the CEO and other senior executives is presented in Note 8.

### Variable Remuneration and Strategic Goals

Programs for variable remuneration are designed to support the Group's strategic objectives.

### Short-Term Incentive Program

At the 2021 AGM, shareholders approved a Short-Term Incentive Plan (STIP), which is an annual (short-term) incentive program. Growth and broadening of the shareholder base are short- to medium-term objectives, and the principles provide for a cash bonus to the management team amounting to 1.0% of the company's yearly increase in equity through cash and/or set-off share issues, forming a STIP bonus pool. The bonus pool is then allocated among the CEO and the other members of the management team. However, no bonus is paid for share issues subscribed by existing shareholders. The bonus is paid once all such share issues for the current calendar year have been completed and registered with the Swedish Companies Registration Office. The final calculation must be carried out by February 15 of the following year. Employer/social security contributions on these bonuses are paid by the company and are therefore included in the annual bonus amount of 1.0%.

### Long-Term Incentive Program

At the AGM on June 30, 2022, it was resolved to adopt a long-term incentive program (LTIP 2022) for key individuals within the Group. The long-term objectives for the LTIP focus on loyalty and stability within the organization, as well as total returns for the shareholders over the program's term. Participants in LTIP 2022 are up to 18 key employees, including members of the senior management team within the GreenGold Group. Participants have the opportunity to receive a cash bonus, which they are primarily expected to use to subscribe for shares in GreenGold. The maximum bonus amount that can be paid to each participant corresponds to three times the participant's fixed annual salary for 2022, calculated as the fixed monthly salary in June 2022 (gross, before tax) multiplied by 12. The bonus amount is determined based on the degree of fulfillment of performance conditions. These performance conditions include continued employment through December 31, 2026, for all participants except the CEO, as well as total shareholder return per share during the period, within different intervals. In addition to the paid bonus amounts, the costs of LTIP 2022 also include customary personnel costs related to cash remuneration and the administration of the program. These costs will vary depending on the extent to which performance conditions are met and on the participants' salaries and tax residency.

### Board Remuneration

The total fee for the Board members elected by the AGM is stated in Note 8.



# Corporate governance

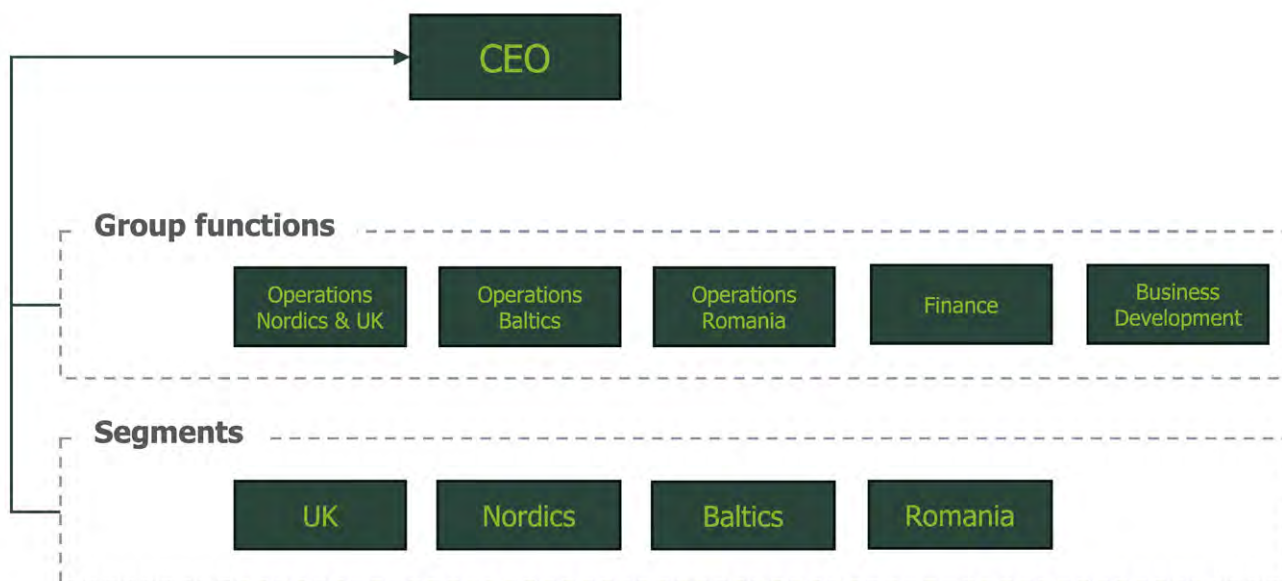
## Organization and Operations

### Group Functions

GreenGold has five main Group functions, each represented by managers in the Group Management reporting directly to the CEO.

### Segments

GreenGold's financial reporting is divided into four segments, corresponding to the main geographic areas.



## Internal control

### Internal Control

Under the Swedish Companies Act and the Code, the Board is responsible for internal control. This report on the company's internal control is prepared in accordance with the Code and pertains to the company's financial reporting.

### Control Environment

The foundation of internal control is the control environment, which together forms the organizational structure, culture, and values guiding GreenGold. The control environment consists of GreenGold's collective policies, guidelines, processes, agreements, standards, and routines. The company has a relatively small organization. Administrative services such as tax accounting and bookkeeping have been outsourced for operations in Finland, Scotland, the Baltics, and Romania. Administrative management of the forest properties and operations in the various countries is handled by local offices in each respective country. Control and monitoring of operations occur locally and from the office in Stockholm. GreenGold's internal control is based on the principles of clear allocation of responsibilities, defined mandates, clear decision paths, and responsibilities documented and communicated in guiding documents such as the Board's rules of procedure, finance policy, authorization instructions, and reporting instructions. Internal policies and manuals are also important for internal control. Current documents are updated regularly when, for instance, legislation or accounting standards change.

# Corporate governance

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## Risk Assessment

Risk management is embedded in the company's processes, and various methods are used to evaluate and limit risks and to ensure that the risks faced by GreenGold are managed in accordance with established policies and guidelines. In 2024, the company established an internal risk committee, an internal working group consisting of key employees whose combined responsibilities cover most of the Group's operations. The overarching aim of the risk committee is to develop, implement, and maintain the risk management framework, with particular focus on financial accuracy, environmental sustainability, and regulatory compliance. It also reviews and approves risk management strategies and monitors significant business-related risks, divided into 1) Operational Risks, 2) Financial Risks, and 3) Regulatory and Certification Risks.

In accordance with its rules of procedure, the Audit Committee conducts at least one annual review of internal control. Identification is made of the risks assessed to be present, and measures are established to reduce these risks, with a focus on risks related to financial reporting. The material risks identified by GreenGold related to financial reporting include inaccuracies in accounting and the valuation of forest properties, tax issues, and the risk of fraud or loss of assets.

## Control Activities

The risks identified with regard to financial reporting are managed through the company's control structures and result in various control activities. These activities aim to prevent, detect, and correct errors and deviations and include, for instance, analytical monitoring at multiple levels in the organization and comparison of results items, account reconciliations, monitoring and reconciliation of Board resolutions and Board-approved policies, approval and accounting for business transactions, authorization and signatory frameworks, Group-wide definitions, templates, reporting tools, and accounting and valuation principles. A key part of GreenGold's control activities is standardized reporting procedures and clear rules of procedure and allocation of responsibilities.

In preparing GreenGold's financial reporting, significant emphasis is placed on reviewing and analyzing key income statement and balance sheet items, with special focus on the valuation of forestry assets at fair value. Risk management for these items is a top priority. Regarding the income statement, priority is primarily given to revenue from the sale of logging rights and changes in value, which partially depend on management estimates. Concerning the balance sheet, much attention is devoted to analyzing and determining the value of forest assets. System controls and process descriptions, as well as external expert competence, are used to ensure that no material misstatements occur or can occur. GreenGold is continuously developing the IT systems supporting its operations, including software for forestry management and analysis, as well as monitoring systems using satellites, drones and AI-based image interpretation.

## Governance and Monitoring

Ongoing monitoring of results takes place at multiple levels in the company, both locally at the segment level and at the Group level. Monitoring is done against the company's "Best Efforts Plan" (BEP), corresponding to financial forecasts and the overall plan. Results are analyzed by the central finance function and then discussed with local operations. Reporting is done to the CEO and the Board. The Board's rules of procedure specify which reports and what financial information must be presented at each regular meeting. The CEO ensures that the Board receives the reporting it needs to continuously assess the company's and the Group's financial position.

## Need for Internal Audit

The effectiveness of the internal audit function largely depends on the company's organizational structure and size. GreenGold has a relatively small organization where finance and accounting administration is managed from the company's office in Stockholm and locally with the help of reputable external accounting firms. Monitoring of results and balance sheets is carried out monthly at the local level and quarterly by central finance and Group management. Taken together, this means that the company does not deem it warranted to have a dedicated internal audit unit.



# Corporate governance

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## Sustainability

Responsibility and sustainable forest management are integral to GreenGold's business model. Through FSC- or PEFC-certified forests, biodiversity, CO<sub>2</sub> sequestration, and local community initiatives, the company combines profitability with social and environmental responsibility. In 2024, GreenGold planted around 1,616,000 trees and calculated its total net climate benefit (carbon sequestration and substitution effect) to be approximately 346,000 tons of CO<sub>2</sub>. Actual or perceived shortcomings in sustainability work constitute both a short-term reputational risk and a long-term threat to the business model and value creation. External verification of FSC or PEFC certification is an important piece of both internal and external work; in addition, the corporate culture and staff are the most important factors in ensuring sustainability.

## Whistleblower Function

GreenGold's whistleblower policy is available on the company's website. The whistleblower service is an alert system that allows both employees and external stakeholders to anonymously report any deviations from GreenGold's business ethics guidelines. Reports of any observations that violate GreenGold's guidelines can be made either by email or by mail to:

- Email: [whistleblow@greengold.se](mailto:whistleblow@greengold.se)
- Post: GreenGold Group, Box 7331, 103,90 Stockholm, Sweden





# Corporate governance

## Presentation of Board of Directors and Auditors

### GÖRAN PERSSON

*Chairman of the Board*  
Chairman of the Remuneration Committee

**Elected:** 2018

**Year of Birth:** 1949

**Nationality:** Swedish

**Education:** Sociology and Political Science, Örebro University, Sweden

**Other positions:** Chairman of the Board of Swedbank. Senior advisor Consulting assignments through own business, Baven AB. Previous experience include Chairman - LKAB, Chairman - Sveaskog (State forestry company and the largest forest owner in Sweden with about 3 million hectares of commercial forest land), Scandinavian Biogas Fuels, Ålandsbanken, Board member, Prime Minister of Sweden 1996–2006 and Finance Minister of Sweden 1994–1996.

**Board member's independence:** Independent in relation to the Company and the management of the Company and independent in relation to the Company's major shareholders.



### FREDRIK PERSSON

*Board member*  
Member of audit committee

**Elected:** 2018

**Year of Birth:** 1984

**Nationality:** Swedish

**Education:** Civil engineering from Uppsala University and has undergone training for board work at Michael Berglund Board Value

**Other positions:** Investment Manager at Swedia Capital AB and CEO Swedia Fastigheter AB, Chairman of the Board of STIGA Sports AB, STIGA Sports Group AB, STIGA Sports Holding AB and Board member of Spotlight Group, Qlean AB, Arctic Falls Aktiebolag of 4minutemile AB, Jiver River Aktiebolag, Lundqvist Intressenter AB, Lundqvist Trävaru AB, Swedia Fastigheter AB. Mr. Persson is also deputy Board Member of Nortal Investments AB, Piteå Stadshotell AB, Swedia Capital AB, Swedia HighP AB

**Board member's independence:** Independent in relation to the Company and the management of the Company and independent in relation to the Company's major shareholders.



### GUDMUNDUR H JÓNSSON

*Board member*  
Chairman of the Audit Committee

**Elected:** 2022

**Year of Birth:** 1977

**Nationality:** Icelandic

**Education:** Bachelor's degree in Business Administration, University of Iceland

**Other positions:** Chairman of the Board of Byko ehf., Smaragardur ehf., Board member of Norvik hf., Bergs Timber AB, Sterna ehf., and Axiom ehf

**Board member's independence:** Independent in relation to the Company and the management of the Company and independent in relation to the Company's major shareholders.



### MALCOLM COCKWELL

*Board member*

**Elected:** 2023

**Year of Birth:** 1988

**Nationality:** Canadian

**Education:** B.Sc. in Forestry from the University of Toronto and is a Registered Professional Forester in Ontario. PhD from the Faculty of Forestry at the University of Toronto with research interests focused on hardwood silviculture and processing

**Other positions:** Chairman of the Board of Acadian Timber (one of the largest timberland owners in eastern Canada and the northeastern U.S, with approximately 1 million hectares of land under management), and Managing Director of Haliburton Forest. Mr. Cockwell also serves as a director of Brookfield Infrastructure Partners LP and the Ontario Forest Industries Association.

**Board member's independence:** Independent in relation to the Company and the management of the Company and independent in relation to the Company's major shareholders.



### JOHANNA IKÄHEIMO

*Board member*

**Elected:** 2022

**Year of Birth:** 1968

**Nationality:** Finnish

**Education:** Master's Degree in Administration and honorary doctor of Philosophy, from the University of Lapland

**Other positions:** Vice Chairman of the Board of Directors of the Lappset Group since 2006. Board Member of the University of the Arctic (UArctic). Chairmanship of the University Consortium of Lapland including the University of Lapland and Lapland University of Applied Sciences. Previous experience include Board engagements at Mutual Pension Insurance Company Varma, and Metsähallitus (Finland's state forest company, managing about 3.5 million hectares of commercial forest land).

**Board member's independence:** Independent in relation to the Company and the management of the Company and independent in relation to the Company's major shareholders.



### MARTIN RANDEL

*Board member*  
Member of the Remuneration Committee

**Elected:** 2020

**Year of Birth:** 1974

**Nationality:** Swedish

**Education:** MSc and CEMS, Finance and International Business from Stockholm School of Economics

**Other positions:** Martin is a private investor and entrepreneur, founder, owner. Board member of Kindred, Vitamin Well, Unifaun, Instabee, and EnginZyme

**Board member's independence:** Independent in relation to the Company and the management of the Company and independent in relation to the Company's major shareholders.





# Corporate governance

## AUDITOR

At the 2024 Annual General Meeting it was approved to re-elect KPMG AB as Auditor until the end of the 2025 Annual General Meeting. The authorized public accountant Helena Arvidsson Älgne, is auditor-in-charge.

The auditor's independence is ensured by legislation and professional ethics and the audit firm's internal guidelines, as well as by adhering to the Audit Committee's guidelines governing the type of assignments that the audit firm may conduct in addition to the audit.

## Presentation of the Executive Management Team

### SORIN CHIORESCU

*CEO and Founder*

**Working in GreenGold since:** 2007

**Year of Birth:** 1974

**Nationality:** Swedish

**Education:** M.Sc. in Forestry and Wood Technology, from Romania's Forest University and France's National School of Forestry and Rural Sciences (ENGREF). Ph.D. in Forestry-Wood Chain from Luleå University of Technology, Sweden and a MBA from Stockholm School of Economics.

**Significant assignments outside the Company:** CEO and Board Member of his own company, Forestum Capital AB; Board Member of Rolling Optics AB.

**Previous Experience:** Before founding GreenGold, Sorin worked for Weyerhaeuser Company in Seattle, US, at INRA and Office National du Forests in Nancy, France, and State forestry Romsilva Company in Romania.

**Own and related parties' holdings:** As per 31/12/2024: 934,000 A-shares and 150,129 B-shares.



### MIHAI SOLCANU

*Business Development Manager*

**Working in GreenGold since:** 2013

**Year of Birth:** 1978

**Nationality:** Romanian

**Education:** M.Sc. in Psychology



### SIMONAS ŽEBRAUSKIS

*COO Baltics and Poland*

**Working in GreenGold since:** 2014

**Year of Birth:** 1978

**Nationality:** Lithuanian

**Education:** Master's degree in Forest Economics, MBA

**Previous Experience:** Trade and Logistics manager Sveaskog Lithuania



### CARL KLING

*COO Nordics and UK*

**Working in GreenGold since:** 2021

**Year of Birth:** 1984

**Nationality:** Swedish

**Education:** M.Sc. in Forestry and a Master's degree in Business Administration from SLU.

**Previous Experience:** Head of Forestry – Baltics at Skogssällskapet and later Head of Forest Investments and Property Development for Sweden, Finland and the Baltic. Also Investment Manager and managing director for Lithuania in GreenGold 2012-2014.



### ALEXANDRU FLOREA

*COO Romania and CEEurope*

**Working in GreenGold since:** 2009

**Year of Birth:** 1970

**Nationality:** Romanian

**Education:** Master's degree in Forestry and Business Administration



### GUSTAV WETTERLING

*CFO and Investor Relations*

**Working in GreenGold since:** 2022

**Year of Birth:** 1981

**Nationality:** Swedish

**Education:** M.Sc. in Economics and Business from the Stockholm School of Economics

**Previous Experience:** Deputy CEO and CFO at Pomegranate Investment. Group CFO at RusForest AB. Black Earth Farming Ltd. Vostok Nafta Investment AB



# Group Income statement

EUR Thousand	Note	2024	2023
Net sales	3,4	19,938	22,311
Other operating income	5	833	633
<b>Total revenue</b>		<b>20,771</b>	<b>22,944</b>
Forestry-related materials and services		- 644	- 906
Personnel costs	8	- 5,104	- 4,573
Depreciation and amortization	9,13,16,17	- 602	- 553
Other operating expenses	6,7	- 1,922	- 2,100
<b>Total expenses</b>		<b>- 8,272</b>	<b>- 8,131</b>
<b>Operating profit before change of value in biological assets</b>		<b>12,499</b>	<b>14,813</b>
Change in value of biological assets	14	49,275	61,227
<b>Operating profit</b>		<b>61,774</b>	<b>76,040</b>
<b>Profit from financial items</b>			
Interest income and similar profit items	10	442	1,022
Interest expenses and similar loss items	10	- 213	- 420
<b>Net financial items</b>		<b>229</b>	<b>602</b>
<b>Profit before tax</b>		<b>62,003</b>	<b>76,642</b>
Taxes	11	- 12,212	- 11,953
<b>Net profit for the year</b>		<b>49,791</b>	<b>64,689</b>
<b>Statement of comprehensive income</b>			
EUR Thousand		2024	2023
<b>Profit for the year</b>		<b>49,791</b>	<b>64,689</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reversed to the income statement</b>			
Change in value of land assets		- 12,355	- 36,195
Tax on change in value of land assets		1,323	6,425
<b>Items that subsequently may be reclassified to the income statement</b>			
Translation differences		2,340	- 1,024
<b>Other comprehensive income for the year, net after tax</b>		<b>- 8,692</b>	<b>- 30,794</b>
<b>Comprehensive income for the year</b>		<b>41,100</b>	<b>33,895</b>



# Group statement of financial position

EUR Thousand	Note	31/12/2024	31/12/2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	13	213	149
<b>Forest assets</b>	14	719,356	661,916
-whereof forest land		119,423	130,330
-whereof biological assets		599,933	531,586
<i>Agricultural land</i>	15	5,279	4,797
<i>Other tangible assets</i>	16	5,324	5,194
Right-of-use assets	17	180	226
Shares in other companies		250	-
Non-current receivables	19	1,289	1,439
Deferred tax assets	11	4	3
<b>Total non-current assets</b>		<b>731,895</b>	<b>673,724</b>
<b>Current assets</b>			
Inventories		8	6
Trade receivables	20	628	876
Tax receivables (statutory corporate income tax)		90	29
Other receivables	21	891	854
Prepaid expenses and accrued income	22	723	411
Cash and cash equivalents	24	5,584	9,967
<b>Total current assets</b>		<b>7,924</b>	<b>12,143</b>
<b>TOTAL ASSETS</b>		<b>739,819</b>	<b>685,867</b>

# Group statement of financial position

TEUR	Note	31/12/2024	31/12/2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	23		
Share capital		383	380
Other contributed capital		339,046	332,560
Reserves		87,203	95,894
Retained earnings including profit for the year		245,127	198,091
<b>Total equity</b>		<b>671,760</b>	<b>626,925</b>
<b>Liabilities</b>			
Interest-bearing non-current liabilities		192	26
Lease liabilities	17	74	128
Other liabilities		838	528
Deferred tax liabilities	11	63,717	54,586
<b>Total non-current liabilities</b>		<b>64,821</b>	<b>55,268</b>
<b>Current liabilities</b>			
Advances from customers		677	887
Trade payables	24	380	190
Current tax liabilities	11	540	714
Current portion of non-current liabilities for leasing	17	115	107
Other current liabilities	25	1,017	1,101
Accrued expenses and deferred income	26	509	675
<b>Total current liabilities</b>		<b>3,238</b>	<b>3,674</b>
<b>TOTAL LIABILITIES</b>		<b>68,059</b>	<b>58,941</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>739,819</b>	<b>685,867</b>



# Group statement of changes in equity

EUR Thousand	Equity attributable to parent company shareholders					
	Share capital	Other contributed capital	Revaluation reserve	Translation reserve	Retained earnings	Total equity
<b>Equity, 01/01/2023</b>	<b>376</b>	<b>326,102</b>	<b>131,010</b>	<b>- 4,321</b>	<b>138,802</b>	<b>591,969</b>
Profit for the year	-	-	-	-	64 689	64 689
Other comprehensive income						
Revaluation of forest land	-	-	-36 195	-	-	-36 195
Translation difference on foreign operations	-	-	-	-1 024	-	-1 024
Tax attributable to other comprehensive income	-	-	6 425	-	-	6 425
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-29 770</b>	<b>-1 024</b>	<b>-</b>	<b>-30 794</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-29 770</b>	<b>-1 024</b>	<b>64 689</b>	<b>33 895</b>
Transactions with owners of the group						
Issue of new shares	4	6 668	-	-	-	6 672
Cost for issue of new shares	-	-210	-	-	-	-210
Dividends paid	-	-	-	-	-5 392	-5 392
Change in accounting principles	-	-	-	-	-9	-9
<b>Equity, 31/12/2023</b>	<b>380</b>	<b>332 560</b>	<b>101 240</b>	<b>-5 346</b>	<b>198 091</b>	<b>626 925</b>
<b>Equity, 01/01/2024</b>	<b>380</b>	<b>332,560</b>	<b>101,240</b>	<b>- 5,346</b>	<b>198,091</b>	<b>626,925</b>
Profit for the year	-	-	-	-	49,791	49,791
Other comprehensive income						
Revaluation of forest land	-	-	- 12,355	-	-	- 12,355
Translation difference on foreign operations	-	-	-	2,340	-	2,340
Tax attributable to other comprehensive income	-	-	1,323	-	-	1,323
<b>Total other comprehensive income</b>			<b>- 11,032</b>	<b>2,340</b>	<b>-</b>	<b>- 8,692</b>
<b>Total comprehensive income</b>			<b>- 11,032</b>	<b>2,340</b>	<b>49,791</b>	<b>41,100</b>
Transactions with owners of the group						
Issue of new shares	3	6,521	-	-	-	6,524
Cost for issue of new shares	-	- 35	-	-	-	- 35
Dividends	-	-	-	-	- 3,146	- 3,146
Share based long term incentive plan	-	-	-	-	391	391
<b>Equity, 31/12/2024</b>	<b>383</b>	<b>339,046</b>	<b>90,209</b>	<b>- 3,006</b>	<b>245,127</b>	<b>671,760</b>

# Consolidated cash flow statement for the group

EUR thousand	Note	2024	2023
Profit before tax		62,003	76,642
Adjustments for change in value of Biological assets		- 49,275	- 61,227
Adjustment for non-cash items	12	1,049	1,050
Income taxes paid	11	- 2,230	- 2,060
Change in operating receivables		- 261	- 232
Change in operating payables		- 352	462
<b>Change in working capital</b>		<b>- 613</b>	<b>230</b>
<b>Net cash used in operating activities</b>		<b>10,934</b>	<b>14,635</b>
Acquisition of intangible assets		- 97	- 85
Acquisition and investment in tangible assets		- 9,791	- 19,629
The period's capitalized forest management activities		- 2,552	- 2,399
Acquisition of financial assets		- 250	-
Proceeds from sales of tangible assets		295	53
Increase in loan receivables		-	- 328
Decrease of loan receivables		150	-
Other changes in fixed assets		208	- 53
<b>Net cash used in investing activities</b>		<b>- 12,037</b>	<b>- 22,441</b>
Payments of the principal portion och lease liabilities		- 119	- 92
Share issue 2023		-	6,461
Set-off new issue 2024		- 35	-
Paid dividends		- 3,146	- 11,050
<b>Net cash used in financing activities</b>		<b>- 3,300</b>	<b>- 4,681</b>
<b>Cash flow for the year</b>		<b>- 4,405</b>	<b>- 12,486</b>
Opening Cash and cash equivalents		9,967	22,470
Exchange difference in cash and cash equivalents		21	- 17
<b>Closing cash and cash equivalents</b>		<b>5,584</b>	<b>9,967</b>



# Parent company income statement

EUR thousand	Note	2024	2023
<b>Operating income</b>			
Net sales	4	156	138
Other operating income	5	43	9
<b>Total income</b>		<b>199</b>	<b>147</b>
<b>Operating expenses</b>			
Personnel expenses	8	- 1,773	- 1,498
Depreciation and amortization	9,13	-	- 2,275
Other external expenses	6	- 463	- 390
<b>Total expenses</b>		<b>- 2,236</b>	<b>- 4,163</b>
<b>Operating profit/loss</b>		<b>- 2,037</b>	<b>- 4,016</b>
<b>Profit from financial items</b>			
Dividends from group companies		2,550	7,387
Financial income	10	554	277
Financial expenses	10	-	-74
<b>Net financial items</b>		<b>3,104</b>	<b>7,590</b>
<b>Result before tax</b>		<b>1,067</b>	<b>3,574</b>
Taxes	11	-	-
<b>Result for the year</b>		<b>1,067</b>	<b>3,574</b>

Profit for the year is consistent with Other comprehensive income, thus there is no statement of comprehensive Income.

# Parent company balance sheet

EUR thousand	Note	31/12/2024	31/12/2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Financial assets</b>			
Participations in subsidiaries	18	337,009	337,459
Shares in other companies		250	-
Long-term receivables, group companies	19	12,938	3,000
<b>Total financial assets</b>		<b>350,197</b>	<b>340,459</b>
<b>Total non-current assets</b>		<b>350,197</b>	<b>340,459</b>
<b>Current assets</b>			
Other non-interest bearing current receivables from group companies	19	7,745	10,195
Other current receivables	21	26	18
Prepaid expenses and accrued income	22	400	114
Cash and cash equivalents	24	2,305	4,999
<b>Total current assets</b>		<b>10,476</b>	<b>15,326</b>
<b>TOTAL ASSETS</b>		<b>360,673</b>	<b>355,785</b>



# Parent company balance sheet

EUR thousand	Note	31/12/2024	31/12/2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	23		
<b>Restricted equity</b>			
Share capital		383	380
<b>Total restricted equity</b>		<b>383</b>	<b>380</b>
<b>Non-restricted equity</b>			
Share premium reserve		339,046	332,560
Retained earnings		19,131	18,528
Profit for the year		1,066	3,574
<b>Total non-restricted equity</b>		<b>359,243</b>	<b>354,662</b>
<b>Total equity</b>		<b>359,627</b>	<b>355,042</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other non-current liabilities		589	309
<b>Total non-current liabilities</b>		<b>589</b>	<b>309</b>
<b>Current liabilities</b>			
Accounts payables		59	5
Other liabilities	25	125	79
Accrued expenses and deferred income	26	274	350
<b>Total current liabilities</b>		<b>458</b>	<b>434</b>
<b>LIABILITIES</b>		<b>1,046</b>	<b>743</b>
<b>EQUITY AND LIABILITIES</b>		<b>360,673</b>	<b>355,785</b>

# Parent company statement of changes in equity

EUR Thousand	Restricted equity	Non-restricted equity			
	Share capital	Share premium reserve	Retained earnings incl. Profit for the year	Subtotal	Total equity
<b>Equity, 01/01/2023</b>	<b>376</b>	<b>326,102</b>	<b>23,920</b>	<b>350,022</b>	<b>350,398</b>
Profit for the year	-	-	3,574	3,574	3,574
Issue of new shares	4	6,668	-	6,668	6,672
Cost for issue of new shares	-	- 210	-	- 210	- 210
Dividends	-	-	- 5,392	- 5,392	- 5,392
<b>Equity, 31/12/2023</b>	<b>380</b>	<b>332,560</b>	<b>22,102</b>	<b>354,662</b>	<b>355,042</b>
<b>Equity, 01/01/2024</b>	<b>380</b>	<b>332,560</b>	<b>22,102</b>	<b>354,662</b>	<b>355,042</b>
Profit for the year	-	-	1,067	1,067	1,067
Issue of new shares	3	6,522	-	6,522	6,525
Cost for issue of new shares	-	- 36	-	- 36	- 36
Dividends	-	-	- 3,146	- 3,146	- 3,146
Share based long-term incentive plan	-	-	174	174	174
<b>Equity, 31/12/2024</b>	<b>383</b>	<b>339,046</b>	<b>20,197</b>	<b>359,243</b>	<b>359,626</b>



# Parent Company cash flow statement

EUR thousand	Note	2024	2023
Profit before tax		1,066	3,574
Adjustment for non-cash items	12	454	2,480
Taxes received/paid	11	-	-
Change in other receivables		- 13	10
Change in other payables		24	145
<b>Change in working capital</b>		<b>11</b>	<b>155</b>
<b>Net cash used in operating activities</b>		<b>1,531</b>	<b>6,209</b>
Shareholder's contribution paid		-	-7,510
Shareholder's contribution received		450	-
Acquisition of financial assets		- 250	-
Change in intercompany receivables		- 1,243	- 3,077
<b>Net cash used in investing activities</b>		<b>- 1,043</b>	<b>- 10,587</b>
Share issue 2023		-	6,461
Set-off new issue 2024		- 35	-
Paid dividends		- 3,146	- 11,050
<b>Net cash used in financing activities</b>		<b>- 3,181</b>	<b>- 4,589</b>
<b>Cash flow for the year</b>		<b>- 2,694</b>	<b>- 8,967</b>
Opening cash and cash equivalents		4,999	13,966
<b>Closing cash and cash equivalents</b>		<b>2,305</b>	<b>4,999</b>

# Notes to the financial statements

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## 1. Accounting principles

### General Information

GreenGold Group AB (publ) is a public limited company, corporate registration number 559168–7719, based in Stockholm, Sweden. GreenGold Group AB (publ) was established in Sweden on August 23, 2018. The consolidated financial statements of the company for the year ending December 31, 2023, include the company and its subsidiaries (collectively referred to as "GreenGold" or "the Group" or "the Company" and individually as "Group companies"). The primary activities of the Group are investments in forest properties and management.

### Basis for Preparation

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) and the interpretative statements from the IFRS Interpretations Committee as adopted by the EU. Additionally, the Council for Sustainability and Financial Reporting's recommendation RFR 1 Supplementary Accounting Rules for Groups has been applied. The parent company has prepared its annual report in accordance with the Annual Accounts Act (1995:1554) and the Council for Sustainability and Financial Reporting's recommendation RFR 2 Accounting for Legal Entities. RFR 2 requires that in the annual report for the legal entity, the parent company should apply all IFRS and statements adopted by the EU as far as possible within the framework of the Annual Accounts Act, the Assurance Contracts Act, and considering the relationship between accounting and taxation. The recommendation specifies the exceptions from and additions to IFRS that should be made.

The parent company applies the same accounting principles as the group except in the cases specified below in the section on the parent company's accounting principles.

### Valuation Basis

Assets and liabilities are recorded at historical cost, except for certain financial assets and liabilities and forest and agricultural assets which are valued at fair value.

### Judgments and Estimates in the Financial Reports

In preparing the financial reports in accordance with IFRS Accounting Standards, management must make judgments and estimates, as well as assumptions that impact the application of accounting principles and the reported amounts of assets, liabilities, income, and expenses. These estimates and assumptions are based on historical experiences and several other factors that appear reasonable under current circumstances. The results of these estimates and assumptions are then used to assess the reported values of assets and liabilities that are not otherwise clearly evident from other sources. Actual outcomes may differ from these estimates and assessments.

Estimates and assumptions are regularly reviewed. Changes in estimates are reported in the period the change is made if it only affects that period, or in the period the change is made and future periods if the change affects both the current period and future periods. The judgments and estimates that management considers significant for the reported amounts in the financial statements, and where there is a significant risk that future events and new information could change these judgments and estimates, primarily include climate-related risks.

A changing climate increases the risk of extreme weather such as drought, storms, and heavy rainfall. It also leads to changes in precipitation, increased wildfires, and a higher occurrence of pests which complicates forestry. These risks could, for example, result in the loss of timber stock or impact the quality and biological growth that could affect the estimates made. GreenGold's forest holdings are spread across several countries and regions, which mitigates weather and biological risks over time, and the company continuously takes these risks into account in its business plan, investment decisions, and ongoing determination of fair value, and takes measures to reduce risk exposure.

GreenGold uses a method for accounting and valuing forest assets based on a combination of comparable transaction data and present value determination of the forest's expected future cash flows. A production cycle for standing forest is estimated by GreenGold to average 100 years, which is therefore used in the cash flow model.



# Notes to the financial statements

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The total forest assets are divided into standing forest, so-called timber stock, and land assets. Standing forest is recorded as a biological asset according to IAS 41 Agriculture. Land assets are recorded as a tangible fixed asset according to IAS 16 Property, Plant and Equipment, the so-called revaluation method (see note 14). To calculate the fair value of the biological asset – standing forest, the expected cash flow from future timber harvesting, after deducting costs, has been discounted to a present value. The value change concerning biological assets, calculated as the net of changes due to harvesting, growth, and other changes in fair value, is reported in the income statement. The recorded value of forest land is calculated as the difference between the total value of the forest assets and the biological assets. This value is considered to reflect future income from activities other than the harvesting of currently standing trees, such as potential rentals for wind power, extraction from quarries, hunting leases, concession revenues, and especially the harvest of future generations of trees, and is reported through other comprehensive income. Cash flows are calculated based on harvesting volumes according to GreenGold's current harvesting plan and assessment of future price and cost developments. GreenGold sells virtually all timber as standing, including so-called harvesting rights, which means that no specific assumptions about harvesting and delivery costs are needed. Timber prices are based on historical and forecasted prices.

Regarding cost development, the current standard cost based on cost outcomes from the current and previous year and forward-looking expectations about the cost level is applied. The inflation assumptions in the model are based on a long-term level assessed during the valuation period. Post-tax cash flows are discounted at an interest rate of 4.5 percent (31 Dec 2023: 4.9). GreenGold's Board of Directors deems that the interest rate should be determined using the Capital Asset Pricing Model (CAPM), taking into account a long-term risk-free rate, a market risk premium, and an appropriate beta for forest assets. This approach ensures a long-term cost of capital for investments in GreenGold's geographic profile, without being unduly affected by short-term market fluctuations. The accounting principles specified below have been consistently applied to all periods presented in the financial reports, and more details are provided in Note 14.

## **New Standards and Interpretations Not Yet Effective**

None of the new accounting standards issued by the IASB that are set to take effect in 2025 are expected to have any material impact on GreenGold. The more significant change anticipated going forward is IFRS 18; its application is set for January 1, 2027, but it has not yet been approved by the EU. IFRS 18 primarily changes three key areas: the structure of the income statement, the introduction of disclosures on 'management-defined performance measures' (MPMs), and improved disaggregation and aggregation of information in the primary statements and notes. In the income statement, income and expenses will be classified into three additional categories – operating, investing, and financing – and two new subtotals will be introduced, including operating profit. Disclosures regarding MPMs are to be presented collectively in a separate note. In addition, IAS 7 Statement of Cash Flows is amended so that the starting point for the indirect method will be operating profit.

## **Segment Reporting**

Starting with the financial year ending 31 December 2024, GreenGold Group AB applies IFRS 8 Operating Segments in its consolidated financial statements.

Under IFRS 8, operating segments are defined based on the internal reports that are regularly reviewed by the Chief Operating Decision Maker (CODM) – in GreenGold's case, the CEO – for the purposes of assessing performance and allocating resources. GreenGold's internal reporting and strategic decision-making are structured around geographical areas, and segment performance is monitored based on key financial indicators such as net sales, operating profit before change in value of biological assets, and total assets by region. Accordingly, GreenGold has identified four geographical operating segments:

**UK ( Scotland),**

**Nordics (Sweden and Finland),**

**Baltics (Estonia, Latvia, and Lithuania),**

**Romania.**

# Notes to the financial statements

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These segments are consistent with the internal reporting structure and management responsibilities within the Group. Each segment engages in the Group's core activity – investment in and management of forest properties, including the sale of cutting rights – and operates within a distinct regional market context. The segment aggregation applied (e.g., combining Sweden and Finland as “Nordics”) follows the criteria in IFRS 8.12, based on similarities in economic characteristics, regulatory environments, customer types, and operational practices and follows internal reporting.

## Currency and date

The company has chosen EUR as the reporting currency for the Group because it is an internationally established currency and also serves as the functional currency for the parent company and is the functional currency in several Group companies. Where applicable, items included in the Group's financial reports are first measured in the currency of the primary economic environment in which the Group company operates, which corresponds to the functional currency.

Assets and liabilities are converted at the closing rate, and income and expenses are converted at the average rate for the period, which approximates the rates at the time of each transaction. Income statement-related items refer to the period January 1 – December 31, and balance sheet-related items refer to December 31. Translation differences arising from currency translation of operations with a functional currency other than EUR are reported in other comprehensive income and in equity as a translation reserve.

All financial information presented in EUR has been rounded to the nearest thousand unless otherwise indicated. Amounts in parentheses indicate the value for the previous year.

## Impairments

An impairment is recognized when the carrying amount of an asset or a group of a company's assets exceeds its recoverable amount. An impairment charge affects the income statement and is apportioned across the assets affected.

## PARENT COMPANY

### Parent Company's Accounting Principles

Due to the relationship between accounting and taxation, the rules in IFRS 16 do not need to be applied in legal persons. The parent company applies the exemption from the application of IFRS 16.

IFRS 9 for financial instruments. However, parts of the principles in IFRS 9 are still applicable – such as those regarding impairment, recognition/derecognition, criteria for hedge accounting to be applied and the effective interest method for interest income and interest expense.

In the Parent Company, financial fixed assets are valued at cost less any impairment and financial current assets at the lower of cost. For financial assets reported at amortized cost, the IFRS 9 impairment rules are applied.

### Group Contributions

The parent company applies the alternative rule and records Group contributions as year-end adjustments

Further accounting principles are presented in connection to each respective financial note.

## 2. Information about the Parent Company

GreenGold Group AB (publ) is a public limited company, registration number 559168–7719, headquartered in Stockholm, Sweden. GreenGold Group AB (publ) was established in Sweden on August 23, 2018. GreenGold's head office is located at the following address: 103,90 STOCKHOLM

Visiting address: Kungsgatan 29.

GreenGold AB (publ) owns shares in subsidiaries and is responsible for Group-wide financing.



# Notes to the financial statements

## 3. Segment reporting

### Accounting principles

The company is divided into geographical segments. These segments are consistent with the internal reporting structure and management responsibilities within the Group. Each segment engages in the Group's core activity – investment in and management of forest properties, including the sale of cutting rights – and operates within a distinct regional market context. The segment aggregation applied (e.g., combining Sweden and Finland as "Nordics") follows the criteria in IFRS 8.12, based on similarities in economic characteristics, regulatory environments, customer types, and operational practices and follows internal reporting. Unallocated category contains head office and overhead expenses and other group eliminations.

A significantly lower harvesting volume in Romania where approximately 30% of the area was unavailable for harvesting due to forest management plan renewal resulted in a 23% decline in revenue and a 30% decrease in Operating Profit before Fair Value Adjustment of Biological Assets in the Romanian segment. Slightly lower harvesting volumes and weaker pricing in the Baltics and the United Kingdom also negatively impacted revenue in those respective regions. In contrast, the Nordic region showed growth, with improved revenue and Operating Profit before Fair Value Adjustment of Biological Assets, driven primarily by Finland. The cost base, both locally and at the group level, remained relatively unchanged. Positive fair value adjustments of Biological Assets, driven by biological growth and updated valuations, contributed positively to earnings except in the United Kingdom, where technical revisions in assumptions used for the DCF valuation of Biological Assets led to a decrease in the proportion of Biological Assets relative to the total Forest Asset value, from approximately 69% to 61%, which is recognised in change in value below.

### Operating segment reporting 2024

EUR Thousand	Nordics	UK	Baltics	Romania	Unallocated items and eliminations	Total group
Net sales	5,950	810	3,934	9,249	-5	19,938
Other operating income	87	229	112	402	3	833
Operating expenses	-658	-418	-1,211	-3,705	-2,280	-8,272
<b>Operating profit before change in value of biological assets</b>	<b>5,379</b>	<b>621</b>	<b>2,835</b>	<b>5,946</b>	<b>-2,282</b>	<b>12,499</b>
Change in value of Biological assets	9,018	-12,860	7,401	45,716	-	49,275
<b>Operating profit</b>	<b>14,397</b>	<b>-12,239</b>	<b>10,236</b>	<b>51,662</b>	<b>-2,282</b>	<b>61,774</b>
Financial items	-135	-116	-127	56	551	229
<b>Profit before tax</b>	<b>14,262</b>	<b>-12,355</b>	<b>10,109</b>	<b>51,718</b>	<b>-1,731</b>	<b>62,003</b>
<b>Total non-current assets</b>	<b>106,677</b>	<b>60,812</b>	<b>82,234</b>	<b>481,811</b>	<b>361</b>	<b>731,895</b>
<b>Total assets</b>	<b>107,879</b>	<b>61,134</b>	<b>83,684</b>	<b>484,391</b>	<b>2,731</b>	<b>739,819</b>

### Operating segment reporting 2023

EUR Thousand	Nordics	UK	Baltics	Romania	Unallocated items and eliminations	Total group
Net sales	4,673	1,142	4,477	12,019	-	22,311
Other operating income	16	202	114	293	8	633
Operating expenses	-753	-367	-1,352	-3,763	-1,896	-8,131
<b>Operating profit before change in value of biological assets</b>	<b>3,936</b>	<b>977</b>	<b>3,239</b>	<b>8,549</b>	<b>-1,888</b>	<b>14,813</b>
Change in value of Biological assets	3,764	954	5,715	50,794	-	61,227
<b>Operating profit</b>	<b>7,700</b>	<b>1,931</b>	<b>8,954</b>	<b>59,343</b>	<b>-1,888</b>	<b>76,040</b>
Financial items	-28	-	432	81	117	602
<b>Profit before tax</b>	<b>7,672</b>	<b>1,931</b>	<b>9,386</b>	<b>59,424</b>	<b>-1,771</b>	<b>76,642</b>
<b>Total non-current assets</b>	<b>91,148</b>	<b>54,531</b>	<b>73,721</b>	<b>454,235</b>	<b>89</b>	<b>673,724</b>
<b>Total assets</b>	<b>92,422</b>	<b>55,489</b>	<b>75,722</b>	<b>457,094</b>	<b>5,140</b>	<b>685,867</b>

# Notes to the financial statements

## Assets by country

EUR Thousand	31/12/2024	31/12/2023
Sweden	2,076	1,845
Finland	104,709	89,388
UK	60,812	54,531
Estonia	4,719	4,619
Latvia	11,126	9,432
Lithuania	65,099	58,231
Romania	481,811	454,235
<b>Total</b>	<b>730,352</b>	<b>672,282</b>

## 4. Revenue distribution/recognition

### Accounting principles

GreenGold applies IFRS 15 Revenue from Contracts with Customers. Revenue is recognized when the customer gains control over the sold goods or services and has the ability to use and benefit from them, as well as having assumed the associated risks.

GreenGold's net sales are primarily comprised of revenue from timber sales. Revenue from timber sales includes spruce, pine, and various hardwoods such as beech, oak, and birch. The sales almost exclusively involve the sale of whole trees on what is called "stumpage" or "logging rights". Stumpage sales mean that the sale of roundwood occurs before it is harvested. In stumpage sales, GreenGold grants the buyer the right to fell and haul the agreed timber on an agreed area. The buyer is responsible for the timber harvesting and the transport of the timber. The volume of timber can be finally or preliminarily determined in advance and measured through what is called marking, i.e., or measured retrospectively as at the delivery stump post. The sales are conducted through a bidding process.

A fixed net price is established either per assortment or as a total average price per cubic meter solid under bark. There are also entirely fixed pre-determined volume contracts, a condition for such contracts is that each tree is measured/marked in advance by the seller. When the buyer is deemed to have control and takes over the risks for the goods can vary depending on how the stumpage sale contract is designed, but generally, it is after the sold volume is measured and finally confirmed. It is also common with partial or full prepayment of the estimated timber volumes that the customer will harvest.

A small part of the net sales consists of revenue from forest management services with a few customers which is recognised over time.

### Net sales distributed by geographical market

EUR thousand	Group		Parent company	
	2024	2023	2024	2023
Sweden	-	427	6	5
Finland	5,950	4,246	38	34
UK	810	1,142	67	52
Estonia	719	496	5	5
Latvia	2,681	3,011	10	9
Lithuania	529	970	19	18
Romania	9,249	12,019	12	15
<b>Net sales</b>	<b>19,938</b>	<b>22,311</b>	<b>156</b>	<b>138</b>

### Parent Company

The parent company, GreenGold Group AB, is primarily focused on management and development of the Group. The parent company's turnover consists almost exclusively of the sales of management services to subsidiaries.



# Notes to the financial statements

## 5. Other operating income

### Accounting principles

#### Government grants

A government grant related to a biological asset is recognized as income when the grant conditions are met. Grants are systematically recognized in the income statement in the same manner and over the same periods as the costs that the grants are intended to compensate for. Government grants related to assets are recorded in the balance sheet as deferred income and are amortized over the asset's useful life. GreenGold does not expect any significant changes in government supports in the coming years. Before applying for grants, an assessment is made of the time expenditure, the cost of the action, the area of the action, and the area's (potential) natural and cultural values.

#### Renewable energy

Revenues from renewable energy primarily consist of rental income from the leasing of land area for wind farms or right-of-way.

#### Rental income

Income from leases primarily includes rental properties and leases for agriculture, peat, gravel, and quarry operations.

#### Insurance compensation

GreenGold has a property insured against additional costs caused by fire, as well as properties in Romania with title deed insurance. No external insurance compensation has been received for this type of damage during 2024, nor during 2023.

EUR Thousand	Group		Parent company	
	2024	2023	2024	2023
Hunting	11	11	-	-
Grants	285	93	-	-
Penalties	112	126	-	-
Renewable energy	234	174	-	-
Gain on sales of fixed assets	58	53	-	-
Other operating income	133	176	4	8
Other operating income, internal	-	-	39	1
<b>Total other income</b>	<b>833</b>	<b>633</b>	<b>43</b>	<b>9</b>

# Notes to the financial statements

## 6. Other external expenses

### Audit expenses

Included in Other external expenses are the costs for auditor fees listed below.

Audit assignments' refers to the statutory examination of the annual accounts and accounting records, and of the administration by the Board and the CEO, and the auditing carried out as agreed or in accordance with contracts. This includes other duties that are incumbent on the company's auditors, and the provision of advice or other assistance as a result of observations in connection with such reviews or the performance of such other duties.

EUR Thousand	Group		Parent company	
	2024	2023	2024	2023
<b>KPMG</b>				
Audit engagement	-279	-267	-188	-135
Audit-related tasks	-	-30	-	-25
Tax advisory/Other services	-	-	-	1
<b>Total</b>	<b>-279</b>	<b>-297</b>	<b>-188</b>	<b>-159</b>
<b>Other</b>				
Audit engagement	-15	-11	-	-
Tax advisory/Other services	-1	-1	-	-
<b>Total</b>	<b>-16</b>	<b>-12</b>	<b>-</b>	<b>-</b>

## 7. Leases

### Accounting principles

GreenGold applies IFRS 16 Leasing.

The Group assesses whether an agreement is, or contains, a lease at the inception of the contract. For all leasing agreements where the Group is the lessee, the Group recognizes a right-of-use asset and a corresponding lease liability, except for short-term leases (agreements classified as leasing with a lease term of less than 12 months) and low-value leases (such as office equipment). For such leases, the Group records the lease payments as an expense on a straight-line basis over the lease term, unless another systematic method is more representative of how the economic benefits from the leased assets are consumed by the Group. GreenGold has relatively few lease agreements.

### GreenGold is the lessee of:

- Offices
- Vehicles

### IFRS 16 items in income statement

EUR Thousand	Group	
	2024	2023
Depreciation of right-of use assets	-119	-102
Interest expenses on lease liabilities	-9	-10
Deferred tax	-	-1
<b>Total</b>	<b>-128</b>	<b>-113</b>



# Notes to the financial statements

## 8. Employee benefit expenses

Salaries, other remuneration and social expenses, Eur Thousand	Group		Parent company	
	2024	2023	2024	2023
Salaries, LTIP and other remuneration for the board, CEO and other senior executives <sup>1) 2)</sup>	-1,747	-1,175	-1,017	-772
Salaries, LTIP and other remuneration for other employees <sup>2)</sup>	-2,552	-2,703	-256	-308
<b>Total salary and remuneration expenses</b>	<b>-4,299</b>	<b>-3,878</b>	<b>-1,273</b>	<b>-1,080</b>
Social expenses for the board, CEO, and other senior executives <sup>1) 2)</sup>	-344	-260	-316	-239
Social expenses for other employees <sup>2)</sup>	-170	-176	-77	-93
<b>Total social expenses</b>	<b>-514</b>	<b>-436</b>	<b>-393</b>	<b>-332</b>
Pension expenses to senior executives	-42	-39	-42	-39
Pension expenses for other employees	-63	-73	-20	-20
<b>Total pension expenses</b>	<b>-105</b>	<b>-112</b>	<b>-62</b>	<b>-59</b>
<b>Total salaries and other remuneration and social expenses</b>	<b>-4,918</b>	<b>-4,426</b>	<b>-1,728</b>	<b>-1,471</b>

1) Salary and remuneration to the CEO amounts to EUR 636 (469) thousand whereof LTIP EUR 212 (79) thousand, plus social security contributions of EUR 200 (147) thousand, whereof for LTIP EUR 67 (28) thousand. The CEO does not have an occupational pension agreement. The notice period from the Company's side is 24 months, and 12 months from the employee. In the event of termination by the Company, a severance package of SEK 10 million is payable.

2) The sums include calculated values for long term incentive plan (LTIP), more info further down in this note.

Number of employees	Group		Parent company	
	2024	2023	2024	2023
Number of employees	104	117	5	5
<i>Of which men</i>	95	104	3	3
Average number of employees	104	109	5	5
<i>Of which men</i>	94	98	3	3

Average number of employees	2024			2023		
	Women	Men	Total	Women	Men	Total
Parent company, Sweden	2	3	5	2	3	5
Subsidiary, Sweden	-	-	-	-	-	-
Romania	4	79	83	5	83	88
Lithuania	1	7	8	1	8	9
Finland	2	2	4	2	2	4
Latvia	-	2	2	0	1	1
UK	-	1	1	0	1	1
Estonia	1	-	1	1	-	1
<b>Total</b>	<b>10</b>	<b>94</b>	<b>104</b>	<b>11</b>	<b>98</b>	<b>109</b>

# Notes to the financial statements

The distribution between women and men on the board and group management	2024			2023		
	Women	Men	Total	Women	Men	Total
Board members	1	5	5	1	5	5
CEO	-	1	1	-	1	1
Group management team	-	5	5	-	5	5

## Principles for remuneration and other benefits for the Board of Directors and senior executives

Fees are paid to the Chair of the Board and the other Board members elected by the Annual General Meeting as per Annual General Meeting resolution. The remuneration of the CEO is decided by the Board of Directors and other Group management is decided by the CEO after consultation with the Remuneration Committee. The remuneration issues are prepared by the Remuneration Committee, which consists of Göran Persson and Martin Randel. In 2023, Board members Guðmundur H Jónsson and Malcolm Cockwell declined to receive Board fees. Remuneration to senior executives consists of base salary and pension. Some additional remuneration details for the Board and senior executives can be found in Note 29.

Remuneration and other benefits during the year, Board of Directors, EUR Thousand	2024	2023
Göran Persson, Board chairman	-20	-19
Johanna Ikäheimo	-11	-11
Guðmundur H Jónsson	-6	-
Malcolm Cockwell	-6	-
Fredrik Persson	-10	-10
Martin Randel	-10	-10
<b>Total</b>	<b>-63</b>	<b>-50</b>

## Short Term Incentive Program (STIP)

The AGM 2021 resolved upon a Short Term Incentive Program (STIP) which is designed to reward management for the achievement of short-term (annual) objectives that drive sustainable growth and value creation. The general principles resolved upon, were that a variable cash remuneration to the management team shall emanate with 1.0% on the Company's annual increase in equity via cash and/or set-off new issue, as a STIP remuneration pool, to be allocated between CEO and other management. However, bonuses are not paid for new issues subscribed for by existing shareholders, as that would conflict with the ownership distribution target.

## Long-term incentive program 2022 - 2026

At the AGM on June 30, 2022, it was resolved to adopt a long-term incentive program (LTIP 2022) for key individuals within the Group. Participants in LTIP 2022 may be up to 18 key employees, including senior executives of the GreenGold Group. Participants have the opportunity to receive a cash bonus primarily intended for subscribing to shares in GreenGold. The maximum bonus amount that can be paid to each participant corresponds to three times their fixed annual salary in the start year 2022, calculated as the gross monthly salary in June 2022 multiplied by 12. The size of the bonus depends on the degree to which performance conditions are fulfilled. Such performance conditions include continued employment as of December 31, 2026, for all participants except the CEO, as well as total return per share during the period, within specified ranges. In addition to paid bonus amounts, the costs of LTIP Bonus 2022 comprise customary personnel costs for the cash compensation and costs for the program's administration. These costs will vary depending on the extent to which performance conditions are met and participants' salaries and tax domiciles. Based on initial calculations, GreenGold's total costs for the program are estimated to a maximum of EUR 3.6 million (gross before income tax and employer contributions). The LTIP liability is also booked under Other Long-Term Liabilities in both the consolidated and the Parent Company's balance sheets.



# Notes to the financial statements

Under the terms of the LTIP, participants undertake to subscribe for new GreenGold shares in the second quarter of 2027, using 70% of the net amount of the paid bonus. The subscription price for the shares is to match the subscription price in the latest new share issue in the Company of at least EUR 5 million, the Company is listed at the time of average price of the Company's shares over the three months preceding the issuance decision. From the outset, employees understand that they will receive shares rather than cash for this portion of the bonus, meaning it may be considered share-based compensation. The LTIP expenses recognized up to December 31, 2024, have been accounted for as an expected future cash bonus, recognized as a personnel expense and a financial liability. As of December 31, 2024, however, part of the LTIP expenses has been reclassified to share-based compensation based on the new interpretation described of the bonus overall may be considered share-based compensation

Long-term incentive plan (LTIP), EUR Thousands	Group		Parent company	
	2024	2023	2024	2023
Cost for long-term incentive plan	- 701	- 349	- 454	- 204
-whereof social expenses	- 121	- 58	- 109	- 49

The cost for LTIP is also included in the note part Salaries, other remuneration and social expenses

## 9. Depreciation and amortisation according to plan and impairment

### Accounting principles

Depreciation according to plan is based on the original acquisition values, taking into account any impairments. Depreciation is carried out linearly over the asset's estimated useful life. Land is not subject to depreciation.

*The following useful life periods (years) are used:*

Administrative and storage buildings, residential 30-50  
 Operational buildings, ground facilities 20-30  
 Forest roads 10-30  
 Bridges, dams 20-40  
 Equipment 5-10  
 Personnel transport vehicles – 4-5  
 Office equipment – 3-5

If there is an indication that the recorded value is too high, an analysis is performed where the recoverable value of individual or naturally associated assets is determined as the higher of the net selling price and the value in use. The net selling price is the estimated selling price minus estimated costs for selling the asset. The value in use is measured as the expected future discounted cash flow. The applied discount rate considers the risk-free rate and the risk associated with the asset. An impairment is recognized by the amount by which the recoverable value is less than the recorded value.

An impairment reversal is made if there has been a positive change in the conditions used to determine the recoverable value.

A reversal is made up to the recorded value that would have been reported, minus depreciation, had the impairment not been made.

# Notes to the financial statements

EUR Thousand	Group	
	2024	2023
<b>Depreciation</b>		
<i>Intangible assets</i>		
Depreciation licenses	-33	-13
<b>Total</b>	<b>-33</b>	<b>-13</b>
<i>Right-of-use assets</i>		
Lease assets IFRS 16	-119	-102
	<b>-119</b>	<b>-102</b>
<i>Other tangible assets</i>		
Forest roads	-291	-278
Machinery and equipment	-152	-153
Buildings	-7	-7
<b>Total</b>	<b>-450</b>	<b>-438</b>
<b>Total depreciation</b>	<b>-602</b>	<b>-553</b>

EUR Thousand	Parent company	
	2024	2023
<b>Depreciation and impairment</b>		
<i>Intangible assets</i>		
Depreciation Goodwill	-	-1,116
Write down of asset	-	-1,159
<b>Total depreciation and impairment</b>	<b>-</b>	<b>-2,275</b>



# Notes to the financial statements

## 10. Financial income and expenses

### Accounting principles

Financial income and expenses consist of interest income on bank balances, receivables and interest expenses on loans, unrealised and realised gains on financial investments and foreign exchange differences.

Interest income includes accruals of transaction costs and any discounts, premiums and other differences between the original value of the receivable and the amount received at maturity.

TEUR	Group		Parent company	
	2024	2023	2024	2023
<b>Financial income</b>				
Financial items valued at fair value over the income statement	-	391	-	-
Interest income	316	376	178	198
Currency exchange rate changes on financial items	126	255	95	-
Interest income from group companies	-	-	281	79
<b>Total</b>	<b>442</b>	<b>1,022</b>	<b>554</b>	<b>277</b>
<b>Financial expenses</b>				
Financial items valued at fair value over the income statement	- 155	-	-	-
Interest expenses	- 17	- 13	-	-
Currency exchange rate changes on financial items	- 41	- 407	-	- 74
<b>Total</b>	<b>-213</b>	<b>-420</b>	<b>-</b>	<b>-74</b>

# Notes to the financial statements

## 11. Taxes

### Deferred tax assets and liabilities

#### Significant judgements and estimates

The valuation of deferred tax is based on how the carrying amounts of assets and liabilities are expected to be realised. This means, for GreenGold, that the deferred tax liability also depends on the model assumptions made in the calculation of the biological asset.

#### Tax on this year's result

EUR Thousand	Group		Parent company	
	2024	2023	2024	2023
Current tax	-1,993	-2,159	-	-
Deferred tax	-10,219	-9,794	-	-
<b>Tax on this year's result</b>	<b>-12,212</b>	<b>-11,953</b>	<b>-</b>	<b>-</b>
<b>Specification of recorded tax</b>				
Recorded tax before profit	62,003	76,642	1,067	3,574
Estimated tax base on applicable tax rate in Sweden 2024,2023,20.6%	-12,797	-15,787	-220	-736
Tax effect of:				
Effect on local tax rates for subsidiaries	559	3,285	-	-
Non-deductible expenses	-292	-144	-3	-472
Non-taxable income	513	913	569	1,565
Unreported tax attributable to loss carryforwards <sup>1)</sup>	-347	-355	-346	-357
Adjustments related to previous years	21	-	-	-
Other <sup>2)</sup>	131	135	-	-
<b>Tax recorded for the year</b>	<b>-12,212</b>	<b>-11,953</b>	<b>-</b>	<b>-</b>

1): Loss carryforwards for which deferred tax has been recognized amounted as of December 31, 2024, in the parent company to EUR 1,681 (1,732) thousand, with an unlimited useful life. The Swedish subsidiary has a loss carryforwards of EUR 4 (8) thousand, with an indefinite useful life.

2) Tax rebates are included related to local regulations.



# Notes to the financial statements

Deferred tax assets and liabilities are distributed as follows:

EUR Thousand	Group	
	31/12/2024	31/12/2023
<i>Deferred tax assets</i>		
Other non-currents assets	4	2
<b>Total</b>	<b>4</b>	<b>2</b>
<i>Deferred tax liabilities</i>		
Forest assets	63,496	54,436
whereof		
Land assets	20,311	21,426
Biological assets	43,185	33,010
Other forest assts	169	104
Agricultural land	50	33
Right-of-use assets	1	1
Other non-current assets	-	1
Tax allocation reserve*	-	11
<b>Total</b>	<b>63,717</b>	<b>54,586</b>
<b>Total net deferred tax assets/liabilities</b>	<b>63,713</b>	<b>54,584</b>
Deferred tax assets	4	2
Deferred tax liabilities	63,717	54,586
<b>Net deferred tax liabilities</b>	<b>63,713</b>	<b>54,584</b>

\* Refers to Tax allocation reserve in Swedish company

## Accounting principles

Recorded tax for the period comprises current tax and deferred tax. When the tax is based on an underlying transaction that is recorded directly against equity, the tax effect is also recorded directly against equity. Otherwise the tax is recorded in the income statement. Current tax is the tax payable or receivable for the year, adjusted for any correction of current tax from previous years.

Deferred tax is recorded in full, according to the balance sheet method, for all temporary differences that arise between the tax value of assets and liabilities and their reported values in the consolidated financial statements.

Deferred taxes are calculated using the tax rates expected to apply when the tax is to be settled, which are normally the tax rates adopted on the balance sheet date. Deferred tax liabilities partly consist of untaxed reserves, which are divided into equity and deferred tax in the consolidated financial statements. The Group's earnings in Estonia and Latvia are not burdened with income tax since the current tax regime only taxes dividends. Since no dividends are currently expected no deferred tax related to future dividends from Estonia and Latvia have been recognised.

# Notes to the financial statements

## 12. Non-cash items

EUR Thousand	Group		Parent company	
	2024	2023	2024	2023
Depreciation	603	661	-	2,275
Gains & losses on sale of fixed assets	-55	-25	-	-
FX gains & losses	-202	115	-	-
Interest not received	-41	-42	-	-
Long term incentive plan	701	341	454	205
Other non-cash items	43	-	-	-
<b>Total adjustment for non-cash items</b>	<b>1,049</b>	<b>1,050</b>	<b>454</b>	<b>2,480</b>

## 13. Intangible assets

### Goodwill

#### Accounting principles

Goodwill consists of the amount by which the acquisition value on acquisition of companies or operations exceeds the fair value of identified net assets at the time of acquisition. Goodwill are valued at cost less any write-downs. Depreciation according to plan is not made on these assets, instead, any impairment needs are tested annually or more often if there is an indication of a significant decline in value, in accordance with IAS 36.

As of December 31, 2024, Goodwill is fully amortized/impaired in both the Group and the Parent Company.

EUR Thousand	Parent company	
	2024	2023
<b>Opening acquisition value</b>	<b>5,580</b>	<b>5,580</b>
<b>Closing accumulated acquisition values</b>	<b>5,580</b>	<b>5,580</b>
<b>Opening accumulated depreciation</b>	<b>-4,420</b>	<b>-3,304</b>
Depreciation of the year	-	-1,116
<b>Closing accumulated depreciation</b>	<b>-4,420</b>	<b>-4,420</b>
<b>Opening write-down values</b>	<b>-1,159</b>	-
Write-down of the year	-	-1,159
<b>Closing write-down values</b>	<b>-1,159</b>	<b>-1,159</b>
<b>Closing residual value of goodwill</b>	<b>-</b>	<b>-</b>

# Notes to the financial statements

## Other intangible assets

### Accounting principles

Identified acquired intangible assets are amortized linearly over a period consistent with their useful life, primarily between 5-10 years. Other intangible assets relate primarily to acquired software, other capitalised expenditures.

For all intangible assets, any need for impairment is tested annually or more often if there is an indication of a significant decrease in value, in accordance with IAS 36.

EUR Thousand	Group					
	2024			2023		
	Licenses, Software	Other	Total	Licenses, IT systems	Other	Total
<b>Opening acquisition value</b>	<b>291</b>	<b>24</b>	<b>315</b>	<b>209</b>	<b>24</b>	<b>233</b>
Investments for the year	97	-	97	85	-	85
Sales/retirements	-	-	-	-2	-	-2
Translation difference	-	-	-	-1	-	-1
<b>Closing accumulated acquisition values</b>	<b>388</b>	<b>24</b>	<b>412</b>	<b>291</b>	<b>24</b>	<b>315</b>
<b>Opening accumulated depreciation</b>	<b>-142</b>	<b>-24</b>	<b>-166</b>	<b>-132</b>	<b>-24</b>	<b>-156</b>
Sales/retirements	-	-	-	2	-	2
Depreciation of the year	-33	-	-33	-13	-	-13
Translation difference	-	-	-	1	-	1
<b>Closing accumulated depreciation</b>	<b>-175</b>	<b>-24</b>	<b>-199</b>	<b>-142</b>	<b>-24</b>	<b>-166</b>
<b>Closing residual value</b>	<b>213</b>	<b>-</b>	<b>213</b>	<b>149</b>	<b>-</b>	<b>149</b>

## 14. Forest assets – biological assets and land assets

### Accounting principles

#### Accounting Policies – Forest Assets

GreenGold determines the total value of its forest assets using a combination of comparable data based on forest-property transactions in the regions where GreenGold owns forest assets and a detailed discounted cash flow (DCF) model for the expected future cash flows generated by the forest properties. Land assets attributable to forest holdings are measured at fair value under IAS 16 paragraph 31 and reported on a separate line in the balance sheet as forest assets. The valuation is established in EUR and then booked in each Group entity's local currency.

#### Biological Assets

Standing trees are recognized as biological assets, meaning they are measured and carried at fair value at each balance-sheet date under IFRS 13, level 3. Changes in fair value are recognized in the income statement. GreenGold values the trees by discounting future cash flows from sales on stumpage minus costs for managing the assets to a present value. The calculations incorporate future expected harvesting amounts over a rotation period of 70–100 years, depending on region and tree species. Since the valuation of biological assets should only assess currently standing trees, certain forest-management costs and all replanting costs are excluded from the model (a simplified extraction model). Other revenue streams, such as hunting, non-timber forest products, concessions, and subsidies, are not included in the valuation model. Deferred tax is calculated on the difference between the tax value and the fair value.



# Notes to the financial statements

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## Land Assets

The premise for the value of the land and its cash flows is based on future production cycles and other income streams from the land, such as wind power, gravel extraction, tourism, and hunting. The value of land assets is calculated as the difference between the total value of the forest assets and the value of the biological assets, based on the cash flow model described above. Changes in the value of the land are recognized in other comprehensive income and do not affect the income for the year. The increase is accumulated in equity under the heading Revaluation Reserve. If the revaluation leads to a value lower than the recognized acquisition cost of the asset, that decrease below cost is recognized in the income statement as an impairment. However, if a credit balance exists in a revaluation reserve, the decrease is recognized in other comprehensive income to the extent of that credit balance. Deferred tax on the difference between the tax value and the fair value is also recognized.

## Forest Assets

As of December 31, 2024, GreenGold's total land holdings amounted to 78,911 (76,413) hectares, of which 74,395 (71,999) hectares are classified as forest land. The valuation includes the 74,395 (71,999) hectares, containing an estimated timber stock of 20,247 (19,895) thousand cubic meters of standing timber. The difference between GreenGold's total land holdings and the forested area under valuation is agricultural land (separately valued) and other non-forested land currently not assigned a separate value (including certain forest roads, wetlands, land under power lines, mountain peaks, and land potentially suitable for property development).

The fair value of GreenGold's forest assets is determined by combining the discounted cash flow model and observable forest-market transactions. As of December 31, 2024 (and prior periods), the weighting between the two methods was 70% for the discounted cash flow model and 30% for forest-property transactions. Comparative data from observable forest-property transactions are compiled and processed by an independent third-party appraiser. Although the overall method includes partially objective market data, it is still classified under IFRS 13 level 3, given the weighting method and, in some cases, adjustments to IFRS level 2 data by the third-party appraiser. There were no transfers between valuation levels during the year.

The change in the value of forest assets since the previous year is EUR 57 million and is shown in the tables for biological assets, forest land, and forest assets. The key parameters in the fair value model, including independent third-party appraisals, are updated annually for both the total forest assets and the value of the biological assets. A more detailed analysis is carried out quarterly to assess whether the annual property price and assumptions remain reasonable. Changes in land area and timber stock that affect the fair value of GreenGold's forest assets are also updated quarterly to reflect acquisitions or disposals, the decrease from harvesting, estimated growth, and any other revisions from field checks, etc.

Forest-property prices in the markets where GreenGold holds assets have been trending upward in recent years, driven by factors such as increased inflation (for which forest has historically been a good hedge), significantly higher timber prices due to strong demand and limited supply partly spurred by the exclusion of Russian timber from the European market and high gas and energy prices that have fueled demand for wood as an energy source. There is also a growing interest in forest properties for alternative uses such as carbon sequestration and recreation in the wake of the COVID-19 pandemic.

For 2024, a continued generally strong European timber price environment resulting in solid economics for forest owners along with declining interest rates, has been reflected in higher values generated by the DCF models. However, the impact from independent valuations based on forest property market comparables has been more limited during the year. As a result, the outcome as of 31 December 2024 reflects a more nuanced development compared to the strong value increases seen in previous periods.

# Notes to the financial statements

	31/12/2024	31/12/2023
Fair value of GreenGold Forest Assets (EUR thousand)	719,356	661,916
Average fair value per m3fo (EUR/m3fo)	35,5	33,3
Average SFI per ha (m3fo/ha)	272	276
Average fair value per ha forestland (EUR/ha)	9,669	9,193
Deferred tax attributable to fair value of forest assets	63,496	54,436

## DCF (Discounted Cash Flow) for Forest Assets

The cash flow analysis determines the net present value of the expected post-tax cash flows from harvesting and selling timber, as well as the residual value of the forest properties. The calculations assume sustainable forest management, with implied replanting after final felling, reflected in operating costs including planting expenses, and a biological growth rate that accounts for active management and replanting.

The annual growth rate of the timber stock is based on local conditions, available growth statistics, and the company's ongoing measurements and analysis. GreenGold employs an indefinite, ultra-long-term ownership philosophy, allowing long-range planning and tangible biological improvements to maximize value over time. These fundamental improvements take time to materialize, particularly since GreenGold partly targets properties not actively managed before, where there is a clear value-add potential. The model also reflects anticipated improvements in the production and revenue generation of the forest properties, some gradually occurring until 2038 and others thereafter, to reflect the milestone of the company having managed the properties for a number of years and thereby achieved genuine production improvements realized subsequently.

### Key assumptions in the model include:

#### a. Annual Harvest Volumes

Based on annual growth and reflect the Group's long-term forest-management plans. An increase in the harvest-to-growth ratio is assumed from 2038 onward to account for GreenGold's improvements in management and planning on acquired properties.

#### b. Revenue per Cubic Meter

Based on stumpage prices GreenGold has received in recent years, along with reasonable long-term projections. A moderate real price increase is assumed until 2038 to reflect improved timber quality and assortment, aligned with the company's forest-management plans. After 2038, no further real price improvements are assumed. The forests are regularly inventoried and analyzed to ensure reliable estimates of harvestable volumes and current growth rates.

#### c. Harvesting and Delivery Costs

Since GreenGold sells its timber on the stump, no specific assumptions on harvesting or delivery costs are needed. Timber revenues are reduced by maintenance, forest-management, and administrative costs that reflect GreenGold's actual historical costs and estimated long-term costs for managing a forest portfolio of this size.

#### d. 100-Year Model

Cash flow projections are run over a 100-year model to capture the long natural cycle in most countries where GreenGold operates.

#### e. Price and Cost Inflation

Set at 2.0% annually (Dec. 31, 2023: 2.0%).

#### f. Terminal Value

Based on the expected residual value of the forest properties, in turn based on the current comparative prices estimated by the independent appraiser.

# Notes to the financial statements

## g. Post-Tax Discount Rate

Determined via an estimate of the Group's Weighted Average Cost of Capital (WACC), in which the cost of capital is based on CAPM (Capital Asset Pricing Model) plus industry- and country-specific risk assessments. For 2024, the Group's WACC after tax for forest valuation was 4.51% (Dec. 31, 2023: 4.87%). A normalized long-term risk-free rate is used. GreenGold finances its operations centrally, manages risk on a portfolio basis, and takes a long-term strategic view of its forest assets, making a single WACC appropriate as it reflects the group's unified capital structure, geographical diversification, and the limited relevance of short-term country-specific risks.

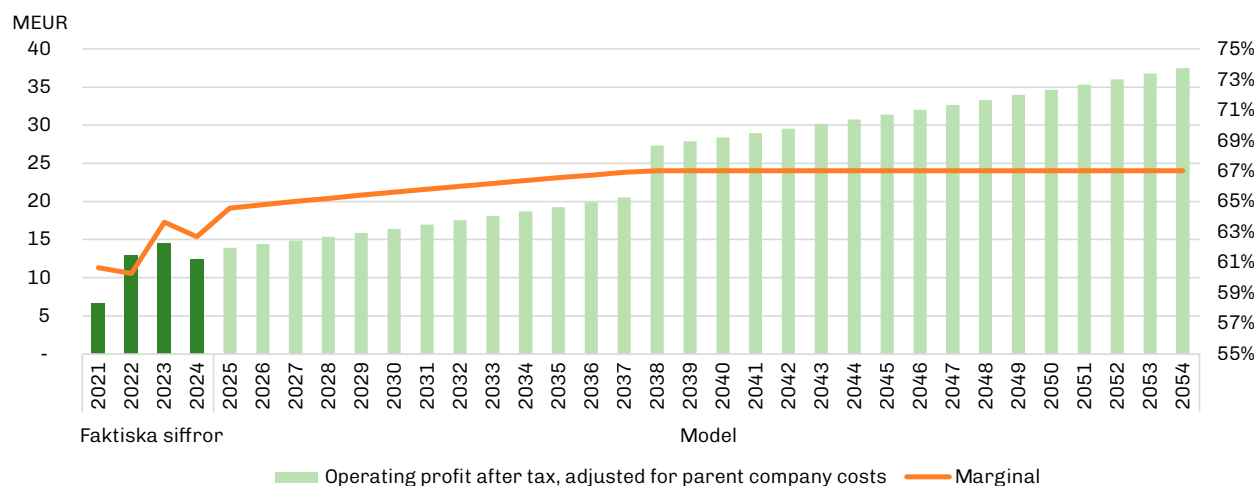
## h. Risk-Free Rate

As of December 31, 2024, the applied risk-free rate is 2.5% (Dec. 31, 2023: 3.0%). For 2024, certain industry recommendations for equity risk premium within the Eurozone at 5.5% (Dec. 31, 2023: 5.5%) were used. The company currently has no debt, but a modest level of flexible debt financing is assumed (around 2% debt in the capital structure) at a pre-tax interest cost of 3.8% per year. In 2023, instead, a long-term capital structure was assumed based on average industry benchmarks (75/25 equity/debt), alongside an industry beta of 0.37 (2023: 0.37). The reason for the declining post-tax discount rate over the period 2021–2023 was mainly linked to a lower industry and risk premium, driven by increased diversification in GreenGold's portfolio (particularly a relative reduction in Romania's weight in sales and profits) and a reduction in Romania-specific country risk and lower volatility in timber/wood markets. The change in the discount rate between December 31, 2024, and December 31, 2023, is chiefly driven by the changed interest rate environment, with broad central bank rate cuts in 2024, reflected in the revised assumed risk-free rate of 2.5% (previously 3.0%).

## Modelled Nominal Revenue



## Modelled Nominal operating profit after tax from forest assets





# Notes to the financial statements

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## Comparable data

The collection and processing of forest-property transaction data are performed by the external firm Svefa. The method compares GreenGold's portfolio characteristics to other forest properties that have recently changed hands in the regions where GreenGold's forests are located, in order to derive the likely price in an open-market sale. The low frequency of transactions and the lack of transparency in some forest-property markets such as Romania sometimes requires older data points to be included for a sufficient data set. Matching the exact characteristics of the properties being valued with the available transaction data can also be challenging and may require adjustments, which involves additional judgment by Svefa. The prices used for valuation are based on GreenGold's own forest acquisitions as well as detailed transaction data and price statistics from external providers and/or public sources.

The location, timber volume, and species and age distribution of the assets are considered when comparing with other properties. An actual observed transaction price determined within 12 months before the valuation date is normally used. However, older price points may be included to have enough data, especially in less transparent markets.

## Combined method / Weighting

As of December 31, 2024, the weighting between the two methods for determining the fair value of GreenGold's forest assets is 70% DCF and 30% comparative sales approach. The discounted cash flow is given more weight because it is based on reasonable assumptions and explicitly reflects the highest and best use of the forest properties, consistent with GreenGold's long-term strategy. Comparative data are important since they represent actual transactions, but each forest property is unique, and it is difficult to fully adjust comparable transactions to the unique characteristics of the property being valued. Moreover, in certain areas, a limited number of comparable sales are available, hence its lesser weighting.

## Biological Assets

Under IAS 41, all biological assets (trees) are carried at fair value less costs to sell. Fair value is calculated based on discounted future cash flows, considering estimates of current age and growth rates, thus indicating current and future volumes of harvestable timber. The model uses the same core assumptions for inflation and discount rates as the forest assets DCF. Timber price levels and operating costs are likewise consistent, except that the valuation of biological assets only measures the current standing trees, excluding certain forest-management and planting costs a simplified extraction model.

## Additional value from wind power

GreenGold owns a property in the UK that earns rental income from a wind-power company for right-of-way and land use, under a 25-year agreement renewable for an additional term. GreenGold has also sold rights to new, as-yet-undeveloped wind-power projects on its properties in the UK and Finland, from which it expects future rental payments and profit-sharing from electricity production. These new projects are awaiting necessary regulatory approvals and final investment decisions, so significant uncertainties surround the realization of future revenue. Given these uncertainties, no value has been recognized relating to new, as-yet-undeveloped wind-power projects. For the existing contractual rental income in the UK, a fair value has been calculated as the present value of the future cash flows and added to the property values in the UK to reflect the added sale value of these contractual rental payments. The post-tax discount rate applied in 2024 is 5.25% (Dec. 31, 2023: 5.25%).

# Notes to the financial statements

## Summary model assumptions and valuation parameters – Forest assets – biological assets and forest land

	2024	2023
Forest land (ha)	74.395	71.999
SFI (thousand m3fo)	20.247	19.895
Combination method weighting (DCF/Comparable sales)	70/30	70/30
<b>Independent valuation (Comparable sales)</b>		
Appraiser	Svefa	Svefa
Comparable price input (EUR/m3)	29.6	30.2
<b>DCF</b>		
Fair value from DCF (EUR/m3)	38.1	34.7
WACC Discount rate	4.51%	4.87%
Unit prices (Starting price weighted average, EUR/m3)	48.9	50.6
Nominal price increase (% per year)	2.0	2.0
Nominal cost increase (% per year)	2.0	2.0
Growth (weighted average m3 per ha and year)	7.5	7.3
Harvest/growth ratio	80% of annual growth until 2038, whereafter 95% assumed	80% of annual growth until 2038, whereafter 95% assumed
Unit costs (Starting cost level, weighted average, EUR/m3)	11.5	11.4
Additional assumptions: Revenue	Incremental real price incr. of 7% up to 2038 from quality improvements	Incremental real price incr. of 7.5% up to 2038 from quality improvements
Additional assumptions: Taxation	Weighted average tax rate: 15%	Weighted average tax rate: 15%

EUR Thousand	Biological assets		Forest land		Forest assets	
	2024	2023	2024	2023	2024	2023
<b>Opening Balance January 1</b>	<b>531,586</b>	<b>452,286</b>	<b>130,330</b>	<b>164,476</b>	<b>661,916</b>	<b>616,762</b>
Acquisitions and investments	17,377	19,541	808	1,843	18,185	21,385
Divestments and disposals	-9	-114	-3	-9	-12	-123
Cutting	-17,197	-18,756	-	-	-17,197	-18,756
Growth and revisions	19,156	15,685	-	-	19,156	15,685
Other changes of fair value <sup>1)</sup>	47,317	64,298	-12,618	-36,069	34,699	28,229
Currency translation differences	1,703	-1,354	906	89	2,609	-1,266
<b>Closing Balance December 31</b>	<b>599,933</b>	<b>531,586</b>	<b>119,423</b>	<b>130,330</b>	<b>719,356</b>	<b>661,916</b>

1) Other changes are primarily attributed to the increase in value resulting from market prices/valuation per m3 change.

# Notes to the financial statements

## Sensitivity Analysis

		Change in value	
EUR million	Change in assumption	31/12/2024	31/12/2023
Total forest assets			
Valuation per m3fo	Price change +/-1 EUR on a total volume of 20.2 / 19.9 million m3fo	20.2	19.9
Standing forest inventory	SFI change of +/- 500 thousand m3fo on a implied valuation/m3 of EUR 35.5 / EUR 33.3	17.8	15.8
Discount rate <sup>1</sup>	+/- 0.1% percentage points	-21.7 / +20.0	-17.0 / +18.1
Biological assets			
Discount rate <sup>2</sup>	+/- 0.1% percentage points	- 20.3 / +21.4	- 17.1 / +18.0
Wood price	+/- 5%	+/- 35.7	+/- 31.5

1 Change to discount rate for DCF model, while comparable sales input assumed unchanged.

2.Change to discount rate for Biological asset DCF

## Deferred Tax Related to the Fair Value of Forest Assets

Deferred tax is recognized on increases in the value of biological assets and land assets in accordance with the framework of IAS 12 Income Taxes. IAS 12 requires recognition of deferred tax for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts. Accumulated historical acquisition costs are deemed to be the tax base for biological assets and forest land, so a deferred tax liability is recognized on the unrealized gain between the tax base and the recognized fair value. Deferred tax also depends on local tax legislation in each of GreenGold's countries where the respective assets are located.

Because of local tax rules, no deferred tax is recognized on unrealized gains on forest assets in Estonia and Latvia, and no deferred tax is recognized on unrealized gains on biological assets in the UK. Deferred tax accounting differs between the two subcategories of forest assets:

- **Biological Assets:** Under IAS 41, gains on changes in fair value less costs to sell are recorded in the income statement. If there is an increase in fair value, a deferred tax liability is also recognized in the income statement.
- **Land Assets:** Revaluation can result in an increase in the land's carrying amount above its original acquisition cost or previous revalued amount, which is recognized directly in equity under the Revaluation Reserve via other comprehensive income. The deferred tax liability arising from the revaluation surplus is treated as a direct adjustment to other comprehensive income and accumulates in a separate component of equity. This ensures that all effects of the revaluation of land are fully reflected in the financial statements, but separately from ongoing profit or loss.

GreenGold's forest portfolio has a balanced age structure, with large portions of the stands in or near harvestable age, providing a robust foundation for short-, medium-, and long-term cash flow generation. Significant variation in tree species and diverse geographical holdings provide resilience against fluctuations in end-market demand, as well as a protective effect against species-specific pests and diseases. The value of species diversification has become evident in recent years, as cyclical fluctuations in the softwood segment have been balanced by hardwood, contributing to relatively stable earnings and returns. Below is the current growth rate in the Company's forests as of December 31, 2024, expressed as net growth in cubic meters per hectare per year.

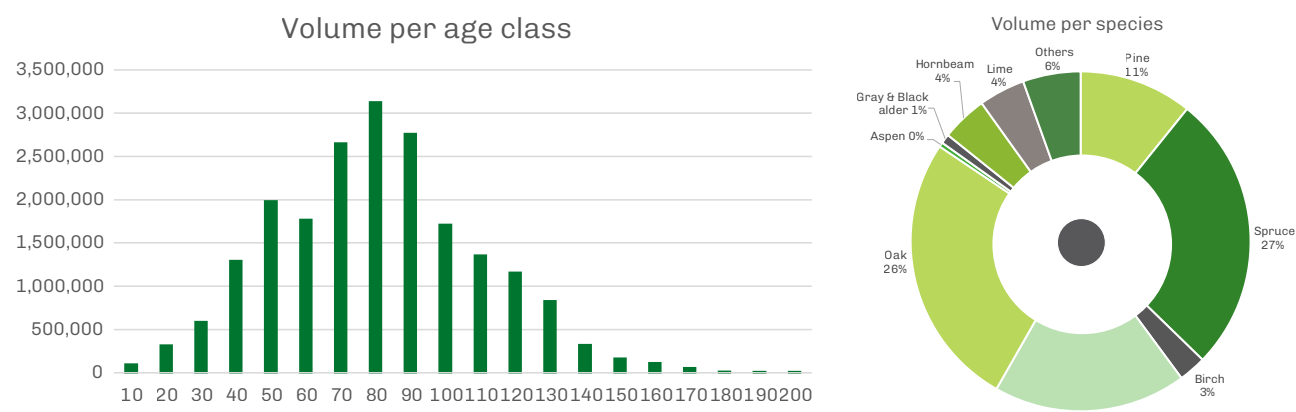
## Impact of Climate Change and Political Decisions

Climate-related risks and opportunities have been assessed through internal analysis of specific physical risks and transition risks, as described in the risk section of the Directors' Report. Climate change may result in a longer growing season, which could lead to increased harvestable volume. However, increased risk of extreme weather events such as storms, prolonged dry periods, or a higher risk of pest infestations could reduce harvestable volume and increase harvesting costs. Rising demand for renewable products may benefit demand for forest-based materials, potentially leading to higher tim-



# Notes to the financial statements

ber prices. Political decisions could, in theory, limit the allowable extraction of raw materials, restrict the right to manage forests, and introduce requirements for increased set-asides, which could reduce harvestable volumes. In the valuation of forest assets, such risks and opportunities are taken into account for example, by considering current environmental restrictions and the effects of known political decisions that affect how assets can be used, such as an assumed set-aside of 5% of the forest area and thus 5% of the annual timber growth. Given the uncertainty regarding when other effects might occur, their magnitude, and the expectation that over time they will generate both positive and negative impacts, the Company's best assessment in 2024 was that these factors had a neutral effect on the value of biological assets.



31/12/2024					EUR Thousand		
Per country	Forest land (ha)	SFI (thousand m3sk)	SFI/ha (m3/ha)	Current Biological growth (m3/ha/year)	Value Forest Assets	Value Biological Assets	Value Land
United Kingdom (Scotland)	2,415	699	289	14.6	57,455	34,758	22,698
Sweden	845	45	54	2.2	1,871	1,834	37
Finland	17,499	1,718	98	4.9	104,584	77,942	26,642
Romania	42,923	16,070	374	8.5	476,593	418,535	58,057
Lithuania	8,335	1,464	176	6.0	64,628	57,055	7,573
Estonia	867	86	99	3.7	4,590	3,534	1,056
Latvia	1,511	165	109	6.1	9,632	6,272	3,360
<b>Group</b>	<b>74,395</b>	<b>20,247</b>	<b>272</b>	<b>7.5</b>	<b>719,354</b>	<b>599,930</b>	<b>119,423</b>

31/12/2023					EUR Thousand		
Per country	Forest land (ha)	SFI (thousand m3sk)	SFI/ha (m3/ha)	Current Biological growth (m3/ha/year)	Value Forest Assets	Value Biological Assets	Value Land
United Kingdom (Scotland)*	1,802	563	312	15.9	51,321	35,377	15,944
Sweden	845	41	49	1.9	1,657	1,568	89
Finland	16,237	1,621	100	4.6	89,207	65,619	23,588
Romania	42,903	15,978	372	8.5	449,087	372,203	76,884
Lithuania	8,081	1,440	178	5.8	57,998	48,330	9,668
Estonia	811	99	123	4.0	4,528	3,407	1,121
Latvia	1,322	153	116	5.8	8,115	5,079	3,036
<b>Group</b>	<b>71,999</b>	<b>19,895</b>	<b>276</b>	<b>7.3</b>	<b>661,913</b>	<b>531,583</b>	<b>130,330</b>

# Notes to the financial statements

## 15. Agri land assets

### Accounting principles

Land assets that are attributable to agricultural land are reported at fair value in accordance with IAS 16 p. 31 and are shown on a separate line in the balance sheet. The valuation is determined in EUR and is then recorded in the respective group company's financial reports in local currency.

### Agricultural Land

Sometimes, agricultural land is included in the land packages acquired when purchasing forest properties. Agricultural land refers not to land that was originally registered or classified as agricultural land but is now covered with forest, such land is treated as forest land. Instead, it refers to land that is currently de facto agricultural land and is not planted or in the process of being planted with forest. It also includes all such land suited for agricultural purposes, whether it is cultivated at the time of reporting or not, which encompasses the two main groups: arable land and pasture.

The company's agricultural land is mainly located in the Baltics, where there is widespread agriculture and land properties traditionally include both agricultural land and forest land. There is also a larger agricultural property in Scotland that has been acquired for future reforestation within the framework of Scotland's reforestation initiative, where the company will receive both subsidies for planting and most likely carbon credits for future carbon sequestration from the forest. This land has not yet been planted with forest and is until further reported as agricultural land. Before January 1, 2022, agricultural land was not reported separately but as part of forest assets.

The value of the land assets is determined using local price statistics per hectare for agricultural properties in each country and region, which is generally readily available. The company's independent valuer of forest assets – Svefa, also provides indications of market prices on agricultural land, although they do not perform a deeper analysis of the properties, as for forest properties. Instead of a detailed comparative analysis of the properties, GreenGold applies a conservative interpretation of the price statistics for valuing its agricultural land. The change in the value of the land is reported in other comprehensive income and does not affect the current year's results. The increase accumulates in equity under the heading for revaluation reserve. The provision for deferred tax is calculated on the difference between the recorded acquisition value and the fair value.

Ha	31/12/2024	31/12/2023
Scotland	212	212
Finland	7	7
Lithuania	101	64
Estonia	32	35
Latvia	404	514
<b>Total</b>	<b>756</b>	<b>832</b>

	Agricultural land	
EUR Thousand	2024	2023
<b>Opening balance 1 January</b>	<b>4,797</b>	<b>4,833</b>
Acquisitions and investments	66	25
Other changes of fair value <sup>1)</sup>	263	-126
Currency translation differences	153	64
<b>Closing balance December 31</b>	<b>5,279</b>	<b>4,797</b>

1) Other changes are primarily recognized as the increase in value due to market prices / valuation per m3 change

# Notes to the financial statements

## 16. Other tangible assets

### Accounting principles

Other tangible assets consist of buildings, machinery and property equipment, other properties and ongoing constructions. These are recognised on the balance sheet as assets, and at cost less accumulated depreciation and any impairment.

The cost includes the purchase price and expenses directly attributable to the asset in order to put it in place and in order to be used in accordance with the purpose of the acquisition.

Accounting principles for impairment are set out in Note 1.

Ongoing new constructions include road constructions and other infrastructure investments that are under construction, as well as ongoing forest land investments that, when completed and registered, are classified as forest assets.

### Depreciation principles

The cost is depreciated linearly over the useful period; other land and ongoing construction is not depreciated. For more info regarding useful-life periods for right-of use asset, see note 9.

EUR thousand	Group											
	Roads		Other land		Buildings		Machinery and equipment		Ongoing new construction		Total other fixed assets	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Opening cost of acquisition</b>	<b>5,197</b>	<b>4,956</b>	<b>184</b>	<b>185</b>	<b>191</b>	<b>175</b>	<b>912</b>	<b>872</b>	<b>953</b>	<b>752</b>	<b>7,437</b>	<b>6,940</b>
Investments	19	108	-	-	1	-	508	65	76	402	604	575
Sales/ retirements	-	-	-	-	-	-	- 518	- 22	-	-	- 518	- 22
Reclassifications	-	156	-	-	23	17	-	-	- 8	- 196	15	- 22
Translation difference	- 2	- 24	-	- 1	-	- 1	2	- 3	-	- 5	-	- 34
<b>Closing accumulated cost of acquisition</b>	<b>5,214</b>	<b>5,196</b>	<b>184</b>	<b>184</b>	<b>215</b>	<b>191</b>	<b>904</b>	<b>912</b>	<b>1,021</b>	<b>953</b>	<b>7,538</b>	<b>7,437</b>
<b>Opening accumulated depreciation</b>	<b>- 1,631</b>	<b>- 1,418</b>	<b>-</b>	<b>-</b>	<b>- 42</b>	<b>- 35</b>	<b>- 570</b>	<b>- 435</b>	<b>-</b>	<b>-</b>	<b>- 2,243</b>	<b>- 1,889</b>
Sales/retirements	-	-	-	-	-	-	425	19	-	-	425	19
Reclassifications	56	56	-	-	-	-	-	-	-	-	56	56
Depreciation for the year	- 291	- 278	-	-	- 7	- 7	- 152	- 156	-	-	- 450	- 440
Translation difference	-1	9	-	-	-	-	- 1	2	-	-	- 2	11
<b>Closing accumulated depreciation</b>	<b>- 1,867</b>	<b>- 1,631</b>	<b>-</b>	<b>-</b>	<b>- 49</b>	<b>- 42</b>	<b>- 298</b>	<b>- 570</b>	<b>-</b>	<b>-</b>	<b>- 2,214</b>	<b>- 2,243</b>
<b>Closing residual value</b>	<b>3,347</b>	<b>3,565</b>	<b>184</b>	<b>184</b>	<b>166</b>	<b>149</b>	<b>606</b>	<b>342</b>	<b>1,021</b>	<b>953</b>	<b>5,324</b>	<b>5,194</b>



# Notes to the financial statements

## 17. Right-of-use assets

### Accounting principles

GreenGold applies IFRS 16 Leasing, which includes the recognition of so-called right-of-use assets.

Right-of-use assets comprise the sum of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, and any initial direct costs. Subsequently, they are measured at cost minus accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If the lease agreement transfers ownership of the underlying asset to the group, or if the cost of the right-of-use asset indicates that the group will exercise an option to purchase, the associated right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation begins at the start of the lease agreement.

The lease liability is initially measured at the present value of the unpaid lease payments at the commencement date, discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the group uses an appropriate local market borrowing rate, as the group has no established borrowing rate due to being unleveraged. The lease liability is recognized as short-term and long-term lease liabilities in the group's balance sheet. After the commencement date, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method), and by reducing the carrying amount to reflect the lease payments made.

Lease asset	Group					
	2024			2023		
	Offices	Vehicles	Total	Offices	Vehicles	Total
<b>EUR Thousand</b>						
<b>Opening balances, contracts</b>	<b>197</b>	<b>153</b>	<b>350</b>	<b>33</b>	<b>22</b>	<b>55</b>
New contracts	103	-	103	164	153	317
Concluded contracts	-11	-39	-50	-	-22	-22
<b>Closing balances, contracts</b>	<b>289</b>	<b>114</b>	<b>403</b>	<b>197</b>	<b>153</b>	<b>350</b>
<b>Opening balances, depreciation</b>	<b>-83</b>	<b>-40</b>	<b>-124</b>	<b>-22</b>	<b>-22</b>	<b>-44</b>
Concluded contracts	-	21	21	-	22	22
Depreciation of the year	-70	-50	-119	-61	-40	-103
<b>Closing balances, depreciation</b>	<b>-153</b>	<b>-69</b>	<b>-222</b>	<b>-83</b>	<b>-40</b>	<b>-124</b>
<b>Closing balance</b>	<b>136</b>	<b>45</b>	<b>181</b>	<b>114</b>	<b>112</b>	<b>226</b>

Lease liability	Group	
	2024	2023
<b>EUR Thousand</b>		
<b>Opening balances</b>	<b>236</b>	<b>11</b>
New contracts	149	362
Repayment and termination	-200	-147
Upward interest adjustments	4	10
<b>Closing balance</b>	<b>189</b>	<b>236</b>

# Notes to the financial statements

## 18. Shares and participations in group companies

### Shares and participations in group companies

EUR Thousand	Group	
	2024	2023
<b>Opening acquisition values</b>	<b>337,459</b>	<b>329,949</b>
Investments in subsidiaries	-	7,510
Repayment of shareholder's contribution	- 450	-
<b>Closing accumulated acquisition values</b>	<b>337,009</b>	<b>337,459</b>

### Parent company's shares in subsidiaries December 31, 2024

EUR Thousand	Corp ID no.	Capital	Voting rights	Book value
GreenGold Timberlands 1 AB	559034-8644	100%	100%	1,757
GreenGold Timberlands OY	2958340-6	100%	100%	56,575
GreenGold Timberlands 1 LTD	SC643927	100%	100%	53,380
GreenGold Timberlands 1 OÜ	10340116	100%	100%	4,323
GreenGold Timberlands 1 SIA	LV41203034208	100%	100%	6,649
GreenGold Timberlands 1 UAB	304217043	100%	100%	17,585
GreenGold Timberlands 2 UAB	303461361	100%	100%	12,180
GreenGold Management SRL	RO29600496	100%	100%	700
GreenGold Timberlands 1 SRL	RO35487155	100%	100%	62,550
GreenGold Timberlands 3 SRL	RO15051614	100%	100%	32,922
GreenGold Romwood SRL	RO25391672	100%	100%	88,390
				<b>337,009</b>

# Notes to the financial statements

## 19. Non-current receivables

### Accounting principles

Financial instruments that are recognized in the balance sheet as loan receivables are included in the balance sheet when the company becomes party to the contractual provisions of the instrument. Receivables that are held with the objective to collect contractual cash flows and where the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal amount are measured at amortized cost. Amortized cost is determined based on the effective interest rate calculated at the time of acquisition.

### Non-current receivables

EUR Thousand	Group	
	2024	2023
<b>Opening receivables</b>	<b>1,439</b>	<b>1,110</b>
Lending during the year	-	329
Repayments during the year	-150	-
<b>Closing receivables</b>	<b>1,289</b>	<b>1,439</b>

### Non-current receivables from group companies

EUR Thousand	Parent company	
	2024	2023
<b>Opening receivables from group companies</b>	<b>3,000</b>	<b>10,196</b>
Lending during the year	10,688	3,000
Repayments during the year	-750	-
Reclassification to current receivables	-	-10,196
<b>Closing receivables from group companies</b>	<b>12,938</b>	<b>3,000</b>

## 20. Trade receivables

### Accounting principles

Trade receivables are recognised in the balance sheet when an invoice has been sent. Trade receivables are valued at fair value, which means present value of contractual cash flows, reduced with potential reservation for losses. In GreenGold the expected maturity of trade receivables is short, and the value is recognised at the nominal amount without discounting.

According to IFRS 9, an assessment of expected credit losses must be made. The subsidiaries should carry out internal credit analysis of customers, which should be followed up on an ongoing basis. Due to the nature of the GreenGold sales, with often partial or full prepayments, and historically high creditworthiness and low credit losses, very short term analysis of overdue receivables is unnecessary, furthermore an impairment of overdue receivables by 50% is performed automatically after 6 months and 100% impairment after 12 months, in the absence of other data related to assessment of recoverable amounts. Impairment losses on trade receivables are recognised in operating expenses.

EUR Thousand	Group	
	31/12/2024	31/12/2023
Trade receivables, not yet due	520	740
Due 1-90 days	105	122
Due >90days	3	14
<b>Total</b>	<b>628</b>	<b>876</b>

Invoices due at the end of 2024 have been cleared/paid during first quarter of 2025.



# Notes to the financial statements

## 21. Other receivables

EUR thousand	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
VAT receivables	576	331	25	-
Other receivables	315	523	1	18
<b>Total other receivables</b>	<b>891</b>	<b>854</b>	<b>26</b>	<b>18</b>

## 22. Prepaid expenses and accrued income

EUR thousand	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Prepaid insurance expenses	261	290	3	2
Prepaid rent expenses	20	27	15	14
Prepaid IT expenses	21	16	21	16
Prepaid expenses, other	5	4	-	-
Accrued interest income	97	56	-	-
Accrued grants	161	17	-	-
Accrued income, other	158	1	1	2
Accrued interest income from group companies	-	-	361	80
<b>Total prepaid expenses and accrued income</b>	<b>723</b>	<b>411</b>	<b>400</b>	<b>114</b>

## 23. Share capital and share premium reserve

2024					
	A-shares	B-shares	Total amount of shares	Nominal value (EUR)	EUR Share Capital
<b>Issued and fully paid share capital</b>					
Opening balance January 1	1,084,129	9,307,492	10,391,621	0,0365561	379,878
Conversion of A-shares to B-shares	-150,129	150,129			
Share issues	-	95,964	95,964	0,0365561	3,508
<b>Balances of December 31</b>	<b>934,000</b>	<b>9,553,585</b>	<b>10,487,585</b>	<b>0,0365561</b>	<b>383,386</b>
2023					
	A-shares	B-shares	Total amount of shares	Nominal value (EUR)	EUR Share Capital
<b>Issued and fully paid share capital</b>					
Opening balance January 1	1,084,129	9,203,602	10,287,731	0,0365561	376,079
Share issues	-	103,890	103,890	0,0365561	3,798
<b>Balances of December 31</b>	<b>1,084,129</b>	<b>9,307,492</b>	<b>10,391,621</b>	<b>0,0365561</b>	<b>379,878</b>

# Notes to the financial statements

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## Share Capital

As of December 31, 2024, the share capital consisted of 10,487,585 ordinary shares with a nominal value of 0.0365561 EUR each (2023: 10,391,621 ordinary shares with a nominal value of 0.0365561 EUR each).

All issued redeemable shares are fully paid. The company holds no treasury shares.

The company has two categories of shares, A and B, with different voting rights.

A-shares - 934,000 pcs, 1 share = 10 voting rights

B-shares - 9,553,585 pcs . 1 share = 1 voting right

A and B shares have equal rights to GreenGold's assets and profits.

## New share issues

In Q4/2024, the Company conducted one new share issuance, targeted at a new investor, in lieu of certain forest properties contributed to the Company. The share issuance consisted of 95,964 B-shares at a price of 68 EUR per share.

## Conversion of A-shares to B-shares

In Q4/2024, a total of 150,129 A-shares were converted to B-shares.

## 24. Financial instruments

### Accounting principles

Financial instruments recognized in the balance sheet include, on the asset side, cash and cash equivalents, trade receivables, accrued income, loan receivables, and derivative instruments. On the liability side, these include trade payables, both non-current and current liabilities, and interest-bearing liabilities if any. Recognition of a financial instrument depends on its classification, as outlined below.

### Classification and Measurement

- **Financial Assets Measured at Amortized Cost**  
This category includes cash and cash equivalents, short-term investments, interest-bearing receivables, trade receivables, and other receivables.
- **Financial Liabilities Measured at Amortized Cost**  
This category includes all financial liabilities.
- **Derivatives Measured at Fair Value Through Profit or Loss**  
Derivatives are measured at fair value, with changes in value recognized in the income statement.

### Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank balances, as well as short-term investments readily convertible into cash. These are subject to the general impairment model. The risk of credit losses on cash is immaterial given the good credit ratings of counterparties, and therefore no losses have been recognized. Cash on hand and bank balances comprise bank deposits and investments with a maximum maturity of three months from acquisition date.

### Derivatives

The Company has a call-option agreement with the same external party to which it has provided a loan under a separate loan agreement. During the term of the call-option agreement, GreenGold has the right to purchase lots that the borrower acquires with funds from the loan agreement. The purchase price for properties that GreenGold has the right to acquire under the call-option agreement is based on a predetermined formula. The call option is recognized as a derivative under IFRS 13. Its value as of December 31, 2024, is recorded as the difference between the contractually agreed purchase price and the estimated fair value of these properties at December 31, 2024, amounting to EUR 236 thousand (391). The call-option agreement is classified at level 3 under IFRS 13.

# Notes to the financial statements

## Financial assets and liabilities valued at amortized cost

EUR Thousand	Group	
	31/12/2024	31/12/2023
<b>Non-current receivables</b>		
Trade receivables	1,289	1,439
Other current external receivables	629	876
Deferred income	470	133
Cash and cash equivalents	158	1
<b>Total</b>	<b>5,584</b>	<b>9,967</b>
	<b>8,130</b>	<b>12,416</b>
<b>Financial liabilities</b>		
Trade payables	380	190
Other current liabilities to group	173	226
<b>Total</b>	<b>553</b>	<b>416</b>

## Financial assets and liabilities valued at amortized cost

EUR Thousand	Koncernen	
	2024	2023
<b>Financial assets</b>		
Derivative	236	391
<b>Total</b>	<b>236</b>	<b>391</b>

## Terms and maturity

EUR Thousand	Nom. interest rate	Due	Group			
			31/12/2024		31/12/2023	
			Nom. amount	Booked amount	Nom. amount	Booked amount
Non-current liabilities for leasing	3,0-5,0%	2025-2027	72	74	131	128
Current liabilities for leasing	3,0-5,0%	2025	123	115	114	107
Trade payables		2025	380	380	190	190
<b>Total</b>			<b>575</b>	<b>569</b>	<b>435</b>	<b>425</b>

## Cash and cash equivalents

EUR thousand	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Restricted capital for planting <sup>1)</sup>	1,601	2,362	-	-
Non-restricted bank balances	3,983	7,606	2,305	4,999
<b>Total cash and cash equivalents</b>	<b>5,584</b>	<b>9,967</b>	<b>2,305</b>	<b>4,999</b>

<sup>1)</sup> Mainly bank funds allocated for planting and replanting in Romania, in accordance with Romanian legislation.



# Notes to the financial statements

## 25. Other current liabilities

EUR thousand	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Personnel related liabilities	917	1,064	125	79
Other liabilities	100	37	-	-
<b>Total other liabilities</b>	<b>1,017</b>	<b>1,101</b>	<b>125</b>	<b>79</b>

## 26. Accrued expenses and prepaid income

EUR thousand	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Accrued personnel-related expenses	232	276	204	207
Other accrued expenses	173	226	86	135
Other prepaid income	104	173	- 16	8
<b>Total accrued expenses and deferred income</b>	<b>509</b>	<b>675</b>	<b>274</b>	<b>350</b>

## 27. Pledged assets and contingent liabilities

As of December 31, 2024, the Group had no contingent liabilities or pledged assets. As of December 31, 2023, there were also no contingent liabilities or pledged assets.

## 28. Financial Risks

### Policy Framework

GreenGold's Board has adopted a set of policies such as Treasury Policy, FX Policy, Leverage Policy, and Valuation Policy to govern how the Group manages various financial risks. These policies are evaluated and revised annually. Operational responsibility is delegated to the CEO and CFO, who also handle operational functions, ensure the finance function operates effectively, and regularly report to the Board in a satisfactory manner.

Financial risks refer to changes in the Group's earnings and cash flows resulting from changes in exchange rates, interest rates, liquidity risk, financing needs, and credit risks.

Responsibility for mitigating financial risks and performing ongoing checks of financial transactions is centralized in the Parent Company's finance function. The overall objective is to ensure cost-effective financing and to minimize adverse effects on the Group's results arising from changes in interest rates and foreign-exchange markets. Of the various financial risks that a company may face financing risk, interest-rate risk, liquidity risk, credit/counterparty risk, and currency risk financing and interest-rate risk are the most prominent for GreenGold. Currency risk primarily arises from holding cash in currencies other than the Company's reporting currency, and from having subsidiaries whose functional currencies differ from GreenGold's reporting currency (EUR).

GreenGold, as a forest-owning and forest-managing entity, finances its assets through share issues and internal cash flows, so it has no significant exposure to financing risk or borrowing interest-rate risk. The Company is also restrictive regarding counterparties for surplus liquidity placements which minimizes the credit risks.

# Notes to the financial statements

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## **Liquidity Risk**

Liquidity risk is the risk that cash will not be available to meet payments as they fall due, potentially caused by disruptions in sales. This risk is low as long as the Group maintains a substantial cash balance. The Company has processes for continuous liquidity reporting and budget follow-up, and it maintains internal minimum requirements for financial reserves.

## **Financing Risk**

Financing risk concerns the risk that a large need for capital could arise in a strained equity and credit market environment. To ensure the Group does not encounter a large capital need other than for expansion, the finance department must maintain sound financial planning and ensure a financial buffer when evaluating expansion and dividend decisions. The finance department must also stay in contact with various financial institutions to discuss potential loan financing.

## **Interest-Rate Risk**

Interest-rate risk is the risk that the value of financial instruments varies due to changes in market interest rates, which may lead to changes in both fair values and cash flows. Because the Group is currently free of external debt, the risk that cash flows will be affected by changes in market rates is very small, mainly affecting interest income on bank balances. As discussed elsewhere, changes in market interest rates represent an indirect risk since they may affect return requirements and discount rates used in the IFRS 13 level 3 fair-value estimates.

## **Credit/Counterparty Risk**

Credit risk arises if a counterparty in a financial transaction is unable to fulfill its obligations. Such exposure can arise from placing cash and, to a lesser degree, in counterparty risk involving banks for currency transactions. The Company ensures that bank counterparties have a rating of at least A- or A3 from Standard & Poor's, Nordic Credit Rating, Fitch, Scope, or Moody's. The Parent Company also has credit risk in receivables from Group companies. Neither the Group nor the Parent Company has recorded any credit losses, and overall, credit risks are considered immaterial.

## **Currency Risk**

The Group is exposed to currency risks if there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Group companies, or the Group's reporting currency. The functional currencies within the Group are primarily Romanian Leu (RON), Euro (EUR), British Pound (GBP), and Swedish Krona (SEK). However, most sales and purchases are in each entity's functional currency. The Company does not engage in currency hedges beyond balancing the composition of cash positions against expected cost and investment flows. When translating foreign subsidiaries' income statements and balance sheets into EUR, translation effects arise. A 5% weakening of the currencies below against the EUR would have increased/(decreased) net revenue and operating profit before changes in the value of Biological Assets by the amounts shown in the table below. This analysis assumes all other variables remain constant.

# Notes to the financial statements

2024 Group	Currency	Net sales (thousand EUR)	Operating profit before change in value of Biological assets (thousand EUR)
	EUR	19,938	12,499
Of which	SEK	-	24
numbers in	GBP	810	621
foreign currency	RON	9,249	6,081

## Sensitivity analysis

A 5% weakening of the currencies listed below against the EUR would have changed the results as follows.

Currency	Net sales (thousand EUR)	Operating profit before change in value of Biological assets (thousand EUR)
SEK	-	- 20
GBP	-39	- 48
RON	- 440	- 405
<b>Total</b>	<b>- 479</b>	<b>- 473</b>

2023 Group	Currency	Net sales (thousand EUR)	Operating profit before change in value of Biological assets (thousand EUR)
	EUR	22,311	14,813
Of which	SEK	427	415
numbers in	GBP	1,142	977
foreign currency	RON	12,019	8,548

## Sensitivity analysis

A 5% weakening of the currencies listed below against the EUR would have changed the results as follows.

Currency	Net sales (thousand EUR)	Operating profit before change in value of Biological assets (thousand EUR)
SEK	-20	- 20
GBP	-54	- 47
RON	-572	- 407
<b>Total</b>	<b>-647</b>	<b>- 473</b>

Foreign currency rates	Group		
	GBP	RON	SEK
Average 2024	0,8466	4,9746	11,4325
Per balance sheet date 2024	0,8292	4,9743	11,4590
Average 2023	0,8698	4,9467	11,4788
Per balance sheet date 2023	0,8691	4,9756	11,0960



# Notes to the financial statements

## 29. Related-party transactions

Transactions with related parties are carried out on market terms. Related parties refer to the companies where GreenGold can exercise a controlling or significant influence regarding the operational and financial decisions. The sphere of related parties also includes the companies and individuals who have the ability to exercise a controlling or significant influence over GreenGold's financial and operational decisions.

For information about the remuneration of senior executives and Board members, please refer to Note 8.

EUR Thousand		Parent company	
		2024	2023
Sales to/income from related parties	Type of transaction		
Forestum Capital AB - Sorin Chiorescu CEO	Accounting services	3	5
	<b>Total</b>	<b>3</b>	<b>5</b>

EUR Thousand		Parent company	
		2024	2023
Purchases from/expenses to related parties	Type of transaction		
Baven AB - Göran Persson chairman of the board	Capital raising services	35	35
	<b>Total</b>	<b>35</b>	<b>35</b>

## 30. Proposed appropriation of profits

Total available funds for distribution(EUR)	
Share premium	339,046,415
Retained earnings incl profit for the year	20,197,053
<b>Total non-restricted equity</b>	<b>359,243,468</b>

Proposed to be allocated as follows: (EUR)	
An ordinary dividend of EUR 0.36 per share 1)	3,786,331
To be carried forward 2)	355,457,137
<b>Total</b>	<b>359,243,468</b>

1) EUR 0.36 per share, total amount based on 10,517,585 outstanding shares as per April 25, 2025.

2) Of which share premium 332,559,841 EUR

In light of the Board's proposal above, the Board hereby issues the following statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act. In 2024 the company's shareholders approved a dividend of 3,1 million EUR, or 0.3 EUR per share. In accordance with the company's dividend policy, dividends should primarily be decided at the annual general meeting. The proposal for the annual dividend should be decided by the board based on the year's free cash flow, defined as the company's cash flow from operating activities after taking into account capitalized costs, considered maintenance CAPEX. The board should also consider other relevant factors that balance the immediate transfer of value to shareholders with investment opportunities, strategic goals, and the current financial position.

# Notes to the financial statements

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The board of directors has proposed a dividend to the shareholders of EUR 0.36 per share to be paid in two instalments, totalling EUR 3,786,330.60 based on 10,517,585 outstanding shares as of April 25, 2025. At the first instalment EUR 0.18 per share is paid with the record date Thursday, 5 June 2025. At the second instalment EUR 0.18 per share is paid. The board of directors is proposed to be authorised to set the record date for second instalment, in December 2025.

Should the Meeting decide in favour of the proposal, payment of the dividend is expected to be made by Euroclear Sweden AB on 13 June 2025, and in December 2025 three banking days after the record date set by the board of directors. The board of directors has further proposed that the meeting resolves that the shares that may be issued by virtue of the authorisation under item 11 shall entitle to dividends from the day they have been entered in the share register kept by Euroclear Sweden AB. Upon maximum utilisation of the authorisation, entailing the issue of a maximum of 2,103,517 shares, an amount for additional shares of maximum EUR 757,266.12 may be distributed.

The proposed ordinary dividend corresponds to about 45% of the Group's 2024 free cash flow, determined to be EUR 8,381 thousand (12,236). The Parent Company's equity as of December 31, 2024, was EUR 359,627 (355,042) thousand, of which unrestricted equity was EUR 359,244 (354,662) thousand. The Group's equity as of December 31, 2024, amounted to EUR 671,760 (626,925) thousand. Under IFRS Accounting Standards, there is no distinction within Group equity between restricted and un-restricted equity.

The Board considers that distributing dividends to shareholders in the proposed amount is justifiable, taking into account the demands that the nature, scope, and risks of the Company's and Group's operations place on the size of equity, and also considering investment opportunities, liquidity, and other aspects of the Company's position. Beyond the factors described above, the Board has considered other known circumstances relevant to the financial position of the Company and the Group. No circumstances have arisen that would make the proposal appear unjustifiable.

The financial position is expected to remain strong after the proposed dividend and is deemed fully sufficient for the Company's ability to meet its obligations in both the short and long term, as well as making any necessary and long-term value-creating investments.

## 31. Events after the balance sheet date

In March 2025, a directed share issue was carried out for a strategic investor, amounting to EUR 2.04 million and comprising 30,000 new B-shares at a price of EUR 68 per share.

## GreenGold Group AB (publ)

The board of directors and the CEO certify that the annual report has been prepared in accordance with good accounting practice in Sweden and the consolidated accounts have been prepared in accordance with the international accounting standards referred to in the European Parliament and Council Regulation (EC) No 1606/2002 of 19 July 2002 on the application of international accounting standards. The annual report and the consolidated accounts provide a fair view of the parent company's and the group's position and results. The Director's report for the parent company and the group provides a fair overview of the development of the parent company's and the group's operations, position, and results and describes significant risks and uncertainties facing the parent company and the companies within the group.

Stockholm, 25 April 2025

Göran Persson  
*Chairman of the Board*

Martin Randel  
*Board member*

Fredrik Persson  
*Board member*

Johanna Ikäheimo  
*Board member*

Gudmundur Jonsson  
*Board member*

Malcolm Cockwell  
*Board member*

Sorin Chiorescu  
*Chief executive officer*

The annual report and the consolidated financial statements were approved for issuance by the board of directors and the CEO on 25 april 2025. The group's income statement and statement of comprehensive income, as well as the balance sheet and the parent company's income and balance sheet, will be subject to approval at the annual general meeting on 26 May 2024.

Our audit report was submitted on 25 April 2025

### KPMG AB

Helena Arvidsson Älgne  
*Authorized auditor*



# Auditor's Report

To the general meeting of the shareholders of GreenGold Group AB (publ), corp. id 559168-7719

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of GreenGold Group AB (publ) for the year 2024, except for the corporate governance statement on pages 34-47. The annual accounts and consolidated accounts of the company are included on pages 27-94 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 34-47. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-26 and pages 98-102. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the

assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
  - Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
  - Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.
- We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

## Report on other legal and regulatory requirements

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of GreenGold Group AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the

group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the

proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.



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#### The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 34-47 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16. The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm 25 April 2025

KPMG AB

Helena Arvidsson Älgne  
Authorized Public Accountant



# Glossary, definitions, and explanations

## Forest Assets

In a financial and operational context, "forest assets" refer to owned forest properties and encompass both the trees and the land on which the trees grow. From an accounting perspective, forest assets are divided into Standing Forest Inventory (Biological Assets) and Forest Land (Land Assets).

### Standing forest inventory ("SFI"), measured as m3fo (forest cubic meter)

Specifies the volume of timber, including tops and bark but excluding branches. It is used to describe the forest holding of standing timber. Measuring and following up on the volume of standing forest inventory is a crucial aspect of forest management and involves several methods and tools.

- **Field Sampling:** This traditional method involves physically measuring a representative sample of trees in the forest. It usually includes measuring tree diameters (DBH - Diameter at Breast Height) and heights, and then extrapolating these measurements to estimate the volume for the entire forest.
- **Remote Sensing:** Advanced technologies like satellite and drone imagery are increasingly used. These technologies can cover large areas quickly and provide detailed data on forest structure and volume. Remote sensing technologies are in many cases combined with field sampling to anchor the estimates in "ground truth".
- **Growth Models:** Growth models use historical data and statistical models from reliable external sources, such as state forestry services, to predict forest growth and volume. These models take into account factors like species, age, climate, and management practices.

GreenGold performs regular inventory cycles for follow-up and monitoring, usually in connection with establishing a new or updated forest management plan. In addition, there are regular controls and assessments by local authorities in connection with various forest actions. All methods described above are associated with some level of margin of error due to factors such as 1) if the sample plots are not representative of the entire forest, 2) errors in measuring tree dimensions can lead to inaccuracies in volume estimations, and 3) in growth models and remote sensing, errors can arise from incorrect model assumptions or limitations in the technology. While GreenGold strives to have as high accuracy as possible, the widely accepted margin of error in assessing forest inventory is +/-10%. From an accounting point of view, Standing Forest Inventory is recognized as a biological asset in accordance with IAS 41 Agriculture.

## Forest land

Land covered with forest or reserved for the growth of forests (including commercial forest land, and forest land which is under some form of protection, where certain restrictions on use can apply). Forest land is determined based on the actual measured area.

### Productive forest land

Land with a production capacity that exceeds an average of one cubic meter of forest per hectare annually is considered to be the core producing assets. This includes forest land that is completely protected. Productive forest land is determined based on the actual measured area.

### Protected Productive Forest Land

Productive Forest Land with legal or GreenGold internal restrictions on harvesting. The effect of these restrictions is considered explicitly in projections of future harvest levels.

### Agricultural land

Arable land, meadows and pasture as well as fallow land, that is typically locally classified as agricultural land, and which is not forested or in the process to be afforested in the immediate term.

### Total land

The total amount of surface area owned by GreenGold, including predominantly forest land but also agricultural land, roads, water, swamps, areas under electric lines, under buildings, and other. The total land number is derived from the recorded area in the respective jurisdictions' land registry or contract. Positive or negative deviations from the recorded area and the actual physically measured areas based on borders might occur.

### SFI/ha

Specifies the amount of m3fo (forest cubic meter) per hectare by default considering only productive forest land.

### Biological growth

Refers to the primary growth of trees from the root resulting in increases in height and thickness of the stem. Growth is also specified in forest cubic meters, either in total volume or forest cubic meter per hectare and year, and is based on growth models that rely on external verified data as well as internal assessments and calibrations. 1 m3fo equals about 0.833 m3sub. Biological growth is normally expressed as net growth equal to gross growth minus non-salvaged natural mortality.

# Glossary, definitions, and explanations

## FSC/PEFC Certified forest area

A forest area that is FSC or PEFC certified has been assessed by an independent certification body of one of the two major global certification systems for forests and forest products and found to comply with the respective standards for sustainable forest management. This certification also indicates that the forest is managed in a way that conserves the natural habitat, respects indigenous rights and worker rights, and ensures the forest is viable as a resource for future generations.

PEFC (Programme for the Endorsement of Forest Certification) is an international forest certification system focusing on ensuring sustainable forest management, balancing environmental, societal, and economic factors. PEFC standards are based on internationally recognized criteria for sustainable forest management and are adapted to local conditions and requirements.

FSC (Forest Stewardship Council) is an international organization promoting responsible forest management. The FSC has developed principles for responsible forestry that can be applied for certifying forest management and that facilitate FSC labeling of wood products from FSC-certified forests.

## Stumpage price

This concept encompasses the entire tree attached to the stump, including the trunk and branches,

and is the price paid to the forest owner by loggers, timber companies, or other entities for the right to harvest timber from a particular area of land. It represents the market value of the wood itself, minus the costs associated with harvesting, transporting, and processing it into finished products. Stumpage price should by default be expressed as price per m<sup>3</sup>fo, thus excluding volume of branches, but including volume of bark and top. If another metric is used, it is important to note this. Otherwise, this could generate gross errors in planning and reporting.

## Productive forestland/Total land

Indicates core commercial forest land area, out of total surface area owned by GreenGold.

## SFI/ha (m3)

Measures the stock level of trees on GreenGold owned land.

## Harvesting/Productive Forestland (m3/ha)

Indication of activity/utilization level, by comparing harvesting volumes to total harvestable area.

## Growth per ha

The estimated current average growth of timber (m<sup>3</sup>) per ha and year across the Group. Harvesting/Growth The level of annual harvesting relative to annual estimated growth.

## Alternative Performance Measures

The company presents certain financial measures in the annual report that are not defined in accordance with IFRS Accounting Standards. The company believes that these measures provide valuable additional information to investors and management, as they enable an evaluation of the company's performance.

Since not all companies calculate financial measures in the same way, these are not always comparable with the metrics used by other companies. These financial measures should therefore not be seen as a substitute for measures defined in accordance with IFRS Accounting Standards. GreenGold applies the European Securities and Market Authority's (ESMA) Guidelines on the Alternative Performance Measures. The table below presents definitions and calculation of GreenGold's key performance indicators and alternative performance measures.

Key performance indicators	Description & Calculation	Reason for alternative performance measure
EBIT	It is calculated by adding financial income and expenses and taxes back to net income. EBIT is often referred to as operating profit.	The main reason for using EBIT is that it shows core perform, independent of how the business is financed or what tax environment it operates in.

Key performance indicators	Description & Calculation	Reason for alternative performance measure
<b>Adjusted EBITDA</b>	Profit before depreciation, amortization and impairment, financial items and taxes, and also before change in value of Biological assets.	Provides a measure of operational profitability before accounting for non-cash and non-operational items, making it useful for performance comparisons over time.
	<b>EUR thousand</b>	
	<b>2024</b>	
	<b>2023</b>	
<b>Adjusted EBITDA margin</b>	Operating profit before change of value in biological assets	Measures the company's ability to generate earnings from its core operations as a proportion of total income, facilitating efficiency analysis.
	Depreciation and amortization	
	<b>Adjusted EBITDA</b>	
	<b>Adjusted EBITDA margin (%)</b>	
<b>Forest asset value/SFI (EUR/m3)</b>	Total fair value of forest assets divided by the amount of standing forest inventory m3 on the assets in question.	Provides a comparable measure of the company's forest assets per unit of standing forest inventory (SFI), offering insight into valuation efficiency and resource productivity.
	<b>End of period</b>	
	<b>31/12/2024</b>	
	<b>31/12/2023</b>	
<b>Forest asset value/SFI (EUR/m3)</b>	Fair value of forest assets (EUR thousand)	
	SFI (m3 thousand)	
	<b>Value/m3 (EUR/m3)</b>	



Key performance indicators	Description & Calculation	Reason for alternative performance measure															
<b>Net Realisable Value (NRV)</b>	<p>Total assets less total liabilities at fair value excluding deferred tax related to forest asset revaluation.</p> <table> <tr> <th>EUR thousand</th><th>2024</th><th>2023</th></tr> <tr> <td>Total assets</td><td>739,819</td><td>685,867</td></tr> <tr> <td>Total liabilities</td><td>-68,059</td><td>-58,941</td></tr> <tr> <td>Reversal of Deferred Tax related to Forest assets</td><td>63,496</td><td>54,436</td></tr> <tr> <td><b>Net Realisable Value (NRV)</b></td><td><b>735,256</b></td><td><b>681,362</b></td></tr> </table>	EUR thousand	2024	2023	Total assets	739,819	685,867	Total liabilities	-68,059	-58,941	Reversal of Deferred Tax related to Forest assets	63,496	54,436	<b>Net Realisable Value (NRV)</b>	<b>735,256</b>	<b>681,362</b>	<p>The inspiration comes from the European Public Real Estate Association (EPRA) and their guidelines for alternative performance measures with a focus on long-term value creation, such as EPRA Net Asset Value (EPRA NAV), EPRA Net Reinstatement Value (EPRA NRV), and EPRA Net Disposal Value (EPRA NDV). All of these are relevant and essentially express the same concept, namely the net asset value that suits GreenGold's business model. This metric assumes that all properties are managed on a long-term basis within a functioning, consolidated group structure and in a tax-efficient manner. Under this long-term ownership approach, deferred taxes on the unrealized increase in the properties' value are excluded, as the forest properties are not expected to be sold and thus capital gains taxes are unlikely to materialize. NRV therefore provides a realistic and transparent representation of the underlying value and aligns with GreenGold's strategy for sustainable forest management. Put differently, NRV can be viewed as showing the estimated value that would accrue to the parent company's shareholders in the event of an orderly sale of the entire company, in which deferred taxes under IFRS are not realized due to the absence of a direct property sale. Consequently, it reflects the sum of assets and liabilities at fair value without including deferred theoretical tax implications.</p>
EUR thousand	2024	2023															
Total assets	739,819	685,867															
Total liabilities	-68,059	-58,941															
Reversal of Deferred Tax related to Forest assets	63,496	54,436															
<b>Net Realisable Value (NRV)</b>	<b>735,256</b>	<b>681,362</b>															
<b>NRV/share (EUR)</b>	<p>Total assets less total liabilities at fair value excluding deferred tax related to forest and agricultural asset revaluation, divided by the amount of outstanding shares per the balance sheet date.</p>	<p>Expresses the estimated value per share based on the company's total net realisable value, offering shareholders insight into per-share valuation under long-term assumptions.</p>															
<b>Free cash flow</b>	<p>Net cash from operating activities reduced by capitalized forest management activities.</p> <table> <tr> <th>EUR thousand</th><th>2024</th><th>2023</th></tr> <tr> <td>Net cash from operating activities</td><td>10,934</td><td>14,635</td></tr> <tr> <td>Capitalized forest management activities</td><td>-2,552</td><td>-2,399</td></tr> <tr> <td><b>Free cash flow</b></td><td><b>8,381</b></td><td><b>12,236</b></td></tr> </table>	EUR thousand	2024	2023	Net cash from operating activities	10,934	14,635	Capitalized forest management activities	-2,552	-2,399	<b>Free cash flow</b>	<b>8,381</b>	<b>12,236</b>	<p>Measures the cash available for reinvestment/acquisitions, debt reduction, or dividends, providing insight into financial flexibility and sustainability.</p>			
EUR thousand	2024	2023															
Net cash from operating activities	10,934	14,635															
Capitalized forest management activities	-2,552	-2,399															
<b>Free cash flow</b>	<b>8,381</b>	<b>12,236</b>															
<b>Free cash flow per share (EUR)</b>	<p>Net cash from operating activities reduced by capitalized forest management activities divided by the amount of outstanding shares per the balance sheet date.</p> <table> <tr> <th></th><th>2024</th><th>2023</th></tr> <tr> <td>Free cash flow (EUR thousand)</td><td>8,381</td><td>12,236</td></tr> <tr> <td>No. Outstanding shares</td><td>10,487,585</td><td>10,391,621</td></tr> <tr> <td><b>Free cash flow per share (EUR)</b></td><td><b>0.8</b></td><td><b>1.2</b></td></tr> </table>		2024	2023	Free cash flow (EUR thousand)	8,381	12,236	No. Outstanding shares	10,487,585	10,391,621	<b>Free cash flow per share (EUR)</b>	<b>0.8</b>	<b>1.2</b>	<p>Provides a per-share view of the excess cash generation.</p>			
	2024	2023															
Free cash flow (EUR thousand)	8,381	12,236															
No. Outstanding shares	10,487,585	10,391,621															
<b>Free cash flow per share (EUR)</b>	<b>0.8</b>	<b>1.2</b>															

Key performance indicators	Description & Calculation	Reason for alternative performance measure
<b>Capital employed</b>	Total assets reduced by total current liabilities	Provides a measure of the company's total capital investment, which is used for evaluating profitability and return efficiency.
	<b>EUR thousand</b>	
	<b>31/12/2024</b>	
	<b>31/12/2023</b>	
	Total assets	739,819
	Total current liabilities	-3,238
	<b>Capital employed</b>	<b>736,581</b>
		<b>682,193</b>
<b>Return on capital employed (ROCE)</b>	Defined as 12 month trailing operating profit before change in value of Biological assets as a percentage of average capital employed (opening and closing balance divided by 2 for the year).	Measures how the company manages to generate earnings on the groups assets, excluding financing costs and the period's change in value of Biological assets.
	<b>EUR thousand</b>	
	<b>2024</b>	
	<b>2023</b>	
	Operating profit before change of value in biological assets	12,499
	Average capital employed	709,387
	<b>ROCE (%)</b>	<b>1.8%</b>
		<b>2.2%</b>
<b>Return on Equity</b>	Profit/loss for the year as a percentage of average equity (opening and closing balance divided by 2 for the year).	Indicates the return generated in the year on shareholders' investment, helping assess overall profitability from an equity holder's perspective.
	<b>EUR thousand</b>	
	<b>2024</b>	
	<b>2023</b>	
	Net profit for the period	49,791
	Average equity	649,343
	<b>Return on Equity (%)</b>	<b>7.7%</b>
		<b>10.6%</b>
ESG Measure	Description & Calculation	Reason for ESG measures
<b>Net climate benefit</b>	Gross CO2 sequestration is calculated according to Peter Holmgren's 'methodology forest industry's climate contribution 2019', where 1.001 tons of CO2 are absorbed for each cubic meter of increasing standing timber stock, 0.079 tons of CO2 are absorbed for each cubic meter that is harvested and converted into products, and 0.447 tons of CO2 are kept underground through substitution for each cubic meter harvested. Net sequestration is obtained by calculating and subtracting the Group's approximate CO2 footprint, which is based on the World Bank's per capita CO2 emissions for Europe before the COVID-19 pandemic, applied to the Group's average number of employees multiplied by a factor of 3 to account for the Group's employees driving a lot in service.	Provides a quantifiable measure of GreenGold's contribution to carbon sequestration and climate change mitigation, reinforcing the company's sustainability efforts.
<b>Net climate benefit per share</b>	Gross CO2 sequestration per weighted average amount of shares for the reporting period.	Provides a quantifiable measure per share of GreenGold's contribution to carbon sequestration and climate change mitigation, reinforcing the company's sustainability efforts.
	<b>2024</b>	
	<b>2023</b>	
	Net climate benefit (Net CO2 sequestration, tonnes)	343,601
	Average number of outstanding shares	10,396,879
	<b>Net climate benefit per share (tonnes)</b>	<b>0.03</b>
	<b>Net climate benefit per share (Kg)</b>	<b>33</b>
		<b>306,254</b>
		<b>10,344,369</b>
		<b>0.03</b>
		<b>30</b>





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