

GreenGold Group AB - Quarterly report Q4F20

About GreenGold Group AB

GreenGold Group AB is a Swedish company specializing in forest investments in Europe. Through evergreen, sustainable and profitable forest ownership and management we aim to deliver consistent and growing cash flows from disciplined acquisitions and superior management of prime forests located in Europe - diversified, unleveraged and self managed.

Financial

The consolidated EBITDA at group level (exclusive property appreciation value) for the period Q1-Q4 F20 was total of 3.56 million EUR, out of which 0.7 meur represents capital gain from the sale of a small forest property in Romania, divested during Q4F20. Thus, the pure forestry operational EBITDA for F20 is 2.86 meur, corresponding to 0.45 EUR earnings per share – this represents an increase of 11% compared to F19 EBITDA.

Assets

Total forest assets at the end of Q4F20 were 31 146 ha with more than 8.3 million m³ Standing Forest Inventory. Our assets are distributed in 7 European countries, by area: Romania (50%), Lithuania (25%), Finland (11%), Sweden (5%), Latvia (4%), United Kingdom (4%), Estonia (1%). The age class distribution in our forest portfolio is geared mainly towards middle-aged forests which provide high biological growth and thus high CO₂ sequestration as well as good harvesting possibilities in the immediate and near future. The species distribution is focused on the 10 most commercial species giving us favorable diversified exposure to European, US, Asian and MENA countries markets.

Operations

We are continuing to acquire attractive forest properties across our focus European regions. During Q4 we have acquired 857 ha. Our acquisition pipeline looks good with over 60 thousand ha, which we are scrutinizing at the moment. Despite the general and global Covid-19 pandemic effects on economy, this quarter we have experienced an overall pick-up in timber and pulp prices in Europe. We are continuing to carry out our planned harvests. During Q4 we have harvested around 63 thousand m³. Other silvicultural operations we carried out during Q4 are new forest management plans for 2 111 ha and soil preparation, pre-commercial thinning and new planting of total 134 ha.

Team

GreenGold Group AB's management team consists of Sorin Chiorescu (CEO), Aleksandra Holmlund (COO Nordics, Britannia and W/S Europe), Alexandru Florea (COO Balkans), Simonas Zebrauskis (COO Baltics) and Maj-Britt Kühnemann (Head of Finance & Administration). There were no changes to the management team during the period. In UK, we have started recruitment of a local forest manager and in Finland we have started recruitment of our second local forest manager.

Shares

During Q4F20 the company has issued new shares at valuation 38.0 EUR/share. At end of Q4F20 there were 6 305 848 shares in the GreenGold Group AB.