



# Interim report

Q2 2023

July 14, 2023

# Agenda

1. Key highlights in the quarter
2. Coor's triple bottom line
3. Financial performance
4. Sum-up and Q&A

AnnaCarin Grandin, President and CEO  
Andreas Engdahl, CFO and IR Director



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# Key highlights in the second quarter

## Business responsibility

- Won several small and mid-sized contracts, e.g. Fabege and National Agency for Education in Sweden
- Prolongation of Equinor Offshore, Confederation of Swedish Enterprise, Hemsö and Patient meals at Karolinska University Hospital in Solna
- Structured and professional exit of Ericsson contract
- Focus on profitability
- Acquisition of Skaraborgs Städ, completed
- Launch of Simply by Coor



## Social responsibility

- Continued strong results in the employee survey 2023
- Continued improvements in injury frequency
- Jenny Lindgren appointed SVP Operation Development and Digitalization



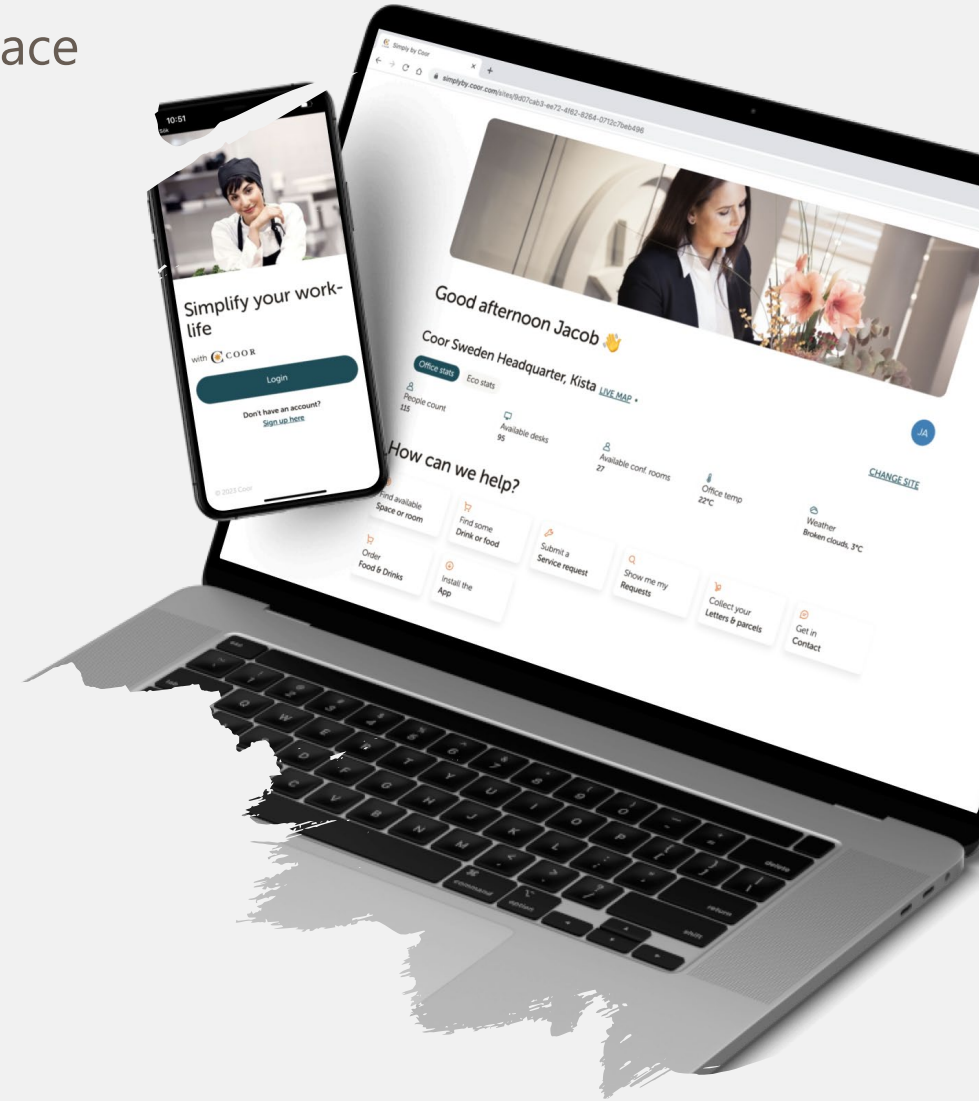
## Growth opportunities ahead

- Continued strong sales pipeline across the Nordics both in IFM and Single service

# Simply by Coor

Simplifies work life for service users by gathering all workplace services in one digital interface

- **Fully integrated with all services** delivered by Coor e.g.,
  - Food & Beverages: Lunch, catering, takeaway
  - Service requests, fault reporting
  - Concierge, wellness services
  - Workplace news, events
  - Physical mail notifications
- **Simple and intuitive user interface**, secure and accessible across all devices
- **Easily configurable** to adapt look, feel and content, **customer-by-customer** and **site-by-site**
- **Open for innovation** with capabilities to integrate with third-party applications, such as room booking systems, IoT and sustainability platforms



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# Historically strong turnover with continued high business activity



Business responsibility	Q2 2023	Q2 2022	LTM	Mid-long term target
<b>Organic Growth</b>	<b>2%</b>	<b>9%</b>	<b>0%</b>	<b>4-5%</b> Organic net sales growth over a business cycle
<b>Acquired Growth</b>	<b>2%</b>	<b>11%</b>	<b>4%</b>	<b>n/a</b>
<b>Adj. EBITA-Margin</b>	<b>5,1%</b>	<b>5,8%</b>	<b>4,9%</b>	<b>~5,5%</b> Adj. EBITA margin
<b>Cash Conversion<sup>1</sup></b>	<b>90%</b>	<b>97%</b>	<b>90%</b>	<b>&gt;90%</b> (Adj. EBITDA – CAPEX – ΔWC) / Adj. EBITDA
<b>Leverage<sup>1</sup></b>	<b>2,6x</b>	<b>2,0x</b>	<b>2,6x</b>	<b>&lt;3,0x</b> Net debt / Adj. EBITDA LTM
<b>Customer Satisfaction<sup>2</sup></b> Customer satisfaction index (CSI)	<b>-</b>	<b>-</b>	<b>71</b>	<b>≥70</b>

<sup>1</sup> LTM    <sup>2</sup> Survey conducted once a year

# Strong results in the employee survey 2023



## Social and environmental responsibility

Q2 2023

Q2 2022

FY 2022

Mid-long term target

**Engaged and motivated employees<sup>1</sup>**  
Employee motivation index (EMI)

76

76

76

≥70

**Safe work environment<sup>2</sup>**  
Total Recorded Injury Frequency (TRIF)

6,8

8,0

7,0

≤3,5

Total number of accidents x 1,000,000/  
number of hours worked

**Equal opportunities**  
Share female / male managers

51% / 49%

49% / 51%

50% / 50%

50% / 50%



## Environmental responsibility

**Scope 1 – From our vehicles**  
Reduction of green house gases<sup>2</sup>

19%

27%

25%

-50%

Total CO2e emissions from Scope 1 and 2  
compared to baseline in absolute numbers  
(tCO2e)

**Scope 2 – From our premises**  
Reduction of green house gases<sup>2,3</sup>

N/A

N/A

-57%

**Scope 3 - From F&B**  
Reduction of green house gases<sup>2</sup>

-18%

-16%

-16%

-30%

Total CO2e emissions from purchased food raw  
material in kg/total number of kgs  
purchased food raw material (kgCO2e/kg)

**Scope 3 – SBTi aligned suppliers**  
Reduction of green house gases<sup>2</sup>

5%

N/A

4%

75%

of suppliers by emissions will be  
aligned to Science Based Targets

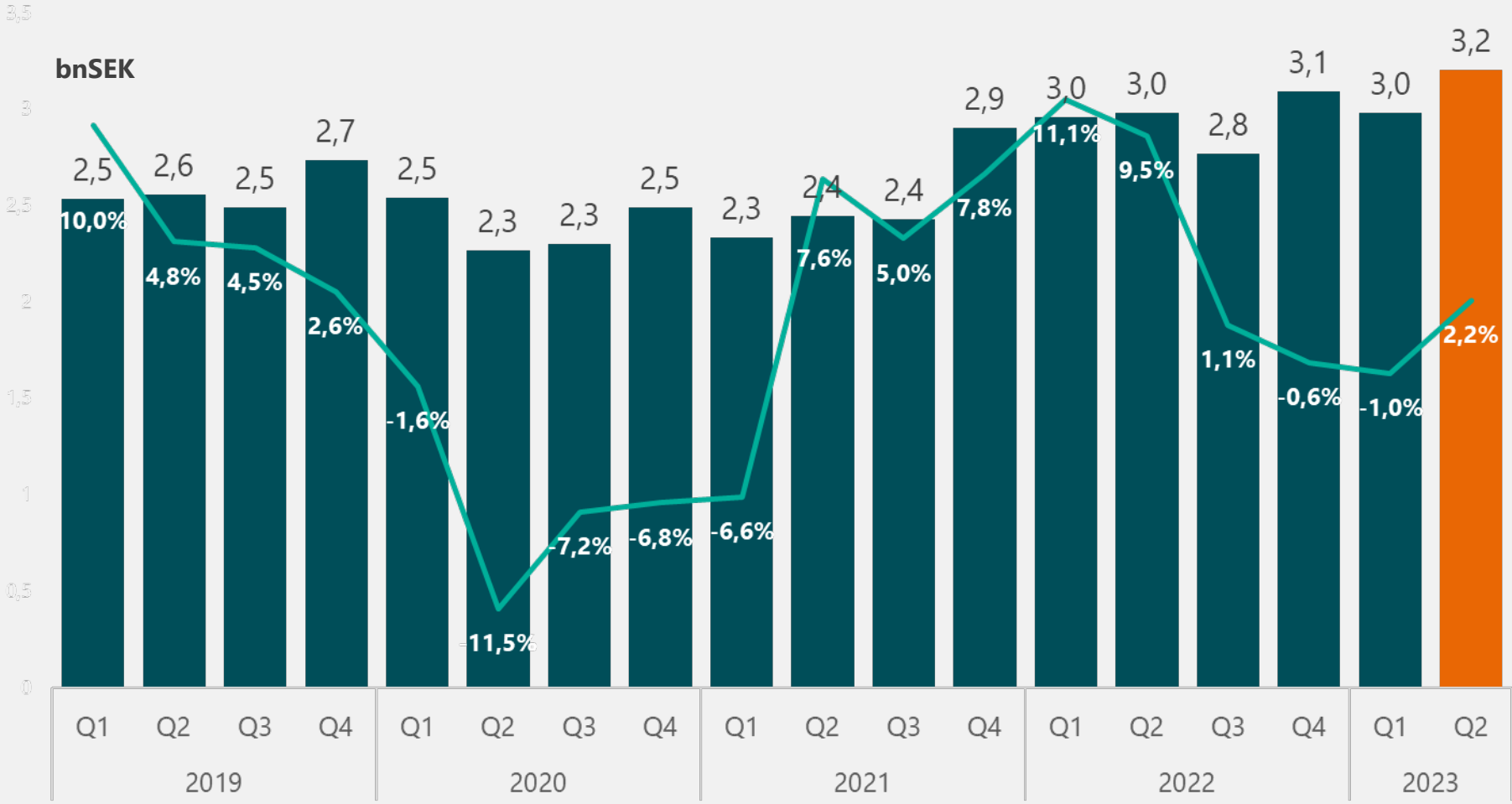
<sup>1</sup> Survey conducted once a year    <sup>2</sup> LTM    <sup>3</sup> Measured at year end



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# Quarterly Net sales and Organic growth



### Key comments

- Organic growth in Q2 driven by high variable volumes and several new mid-sized contracts, partly offset by the ended contract with Volvo Group as well as completed large maintenance stops in the Norwegian Oil & Gas industry in Q2 2022
- Average organic growth since IPO at ~4.3%

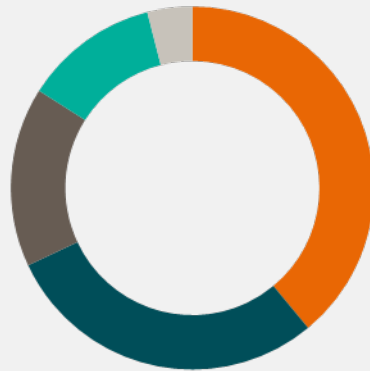
# Net Sales segmentation

Turnover by contract type



- IFM 57%
- Single services 43%

Turnover by service



- Cleaning 39%
- Property 29%
- Workplace 16%
- Food & Beverage 12%
- Other 4%

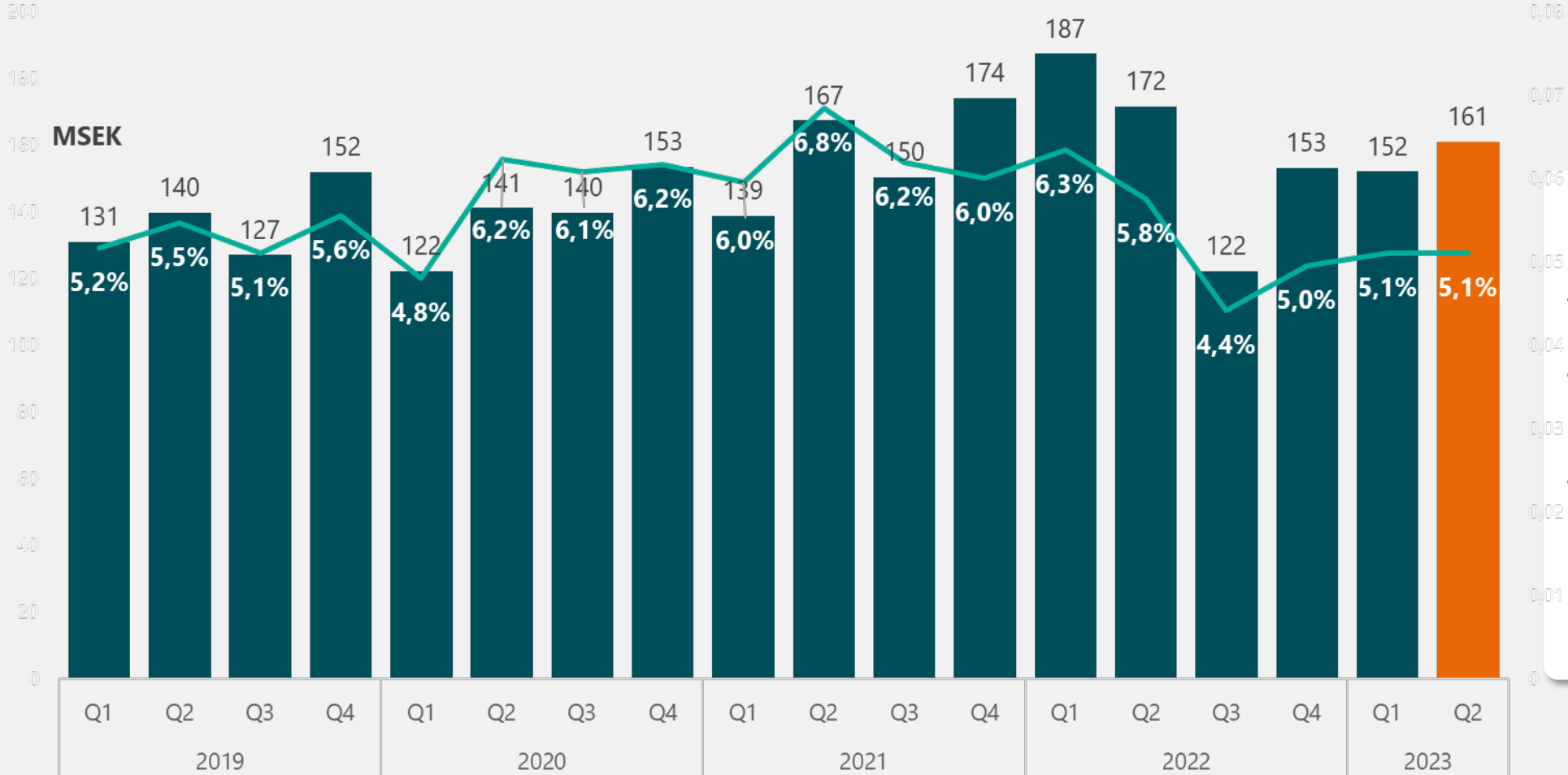
Turnover by customer segment



- Public 32%
- Manufacturing 21%
- Energy 13%
- IT & Telecom 10%
- Real estate & Construction 10%
- Other 14%

Net Sales  
(LTM)  
**12.0**  
bnSEK

# Quarterly EBITA and margin



### Key comments

- EBITA and margin in line with previous quarter
- Volume mix and use of resources fully normalized vs LY
- Average adjusted EBITA margin since IPO at ~5.5%

# By geographic region

## SWEDEN Share of Net Sales

53%

- Organic growth from new contracts and high variable volumes in property, F&B and conference, partly offset by previous lost contract with Volvo Group
- Acquired growth from Centrumstäd and Skaraborgs Städ
- Fully normalized volume mix and increased need of resources normalize margin levels vs Q2 LY

	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
Organic Growth (%)	11	6	0	-4	3
Acquired Growth (%)	21	21	8	1	4
EBITA Margin (%)	10.2	8.4	9.4	9.9	9.3

## DENMARK Share of Net Sales

24%

- Continued organic growth from successive start of new contract with Danish Building and Property Agency in Q2 LY as well as high variable volumes
- Continued focus on start-up activities
- Adaptation of Danish organization to strengthen customer relationship and build for continued profitable growth

	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
Organic Growth (%)	28	24	15	18	6
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	5.2	2.8	4.1	4.1	4.5

## NORWAY Share of Net Sales

17%

- Negative organic growth explained by completion of volumes from maintenance stoppages in the Oil & Gas industry in Q2 2022.
- New contracts combined with high variable volumes affects positively
- Unfavourable occupancy numbers in Offshore vs LY affects profitability negatively

	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
Organic Growth (%)	-5	-27	-16	-9	-4
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	5.2	3.9	4.5	4.2	3.7

## FINLAND Share of Net Sales

6%

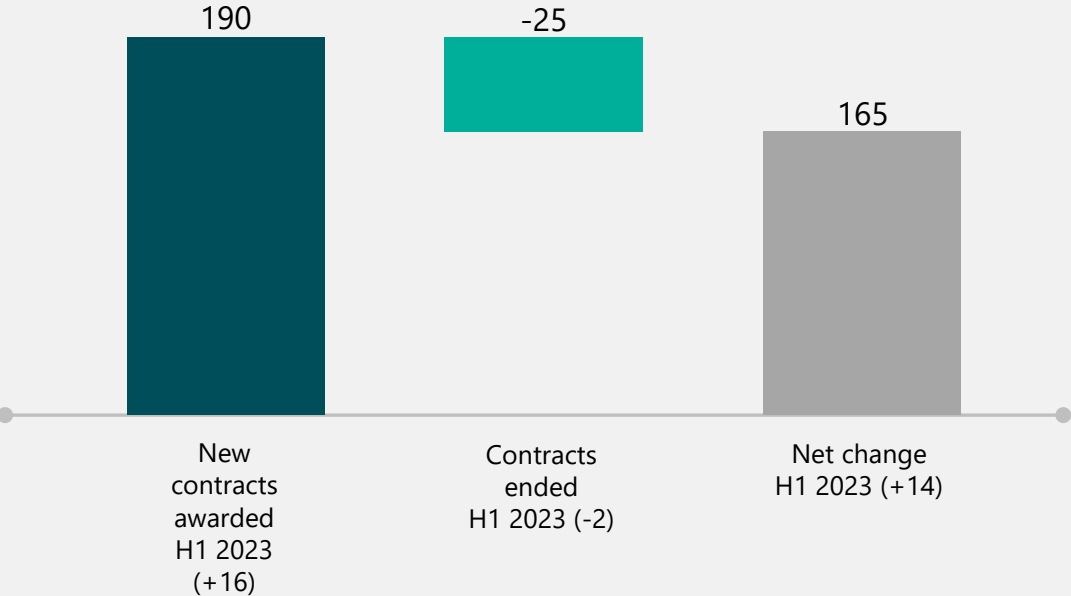
- Organic growth driven by several new small contracts
- Margin in line with LY

	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
Organic Growth (%)	-4	-5	-6	-10	3
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	1.0	5.0	0.2	0.7	1.2

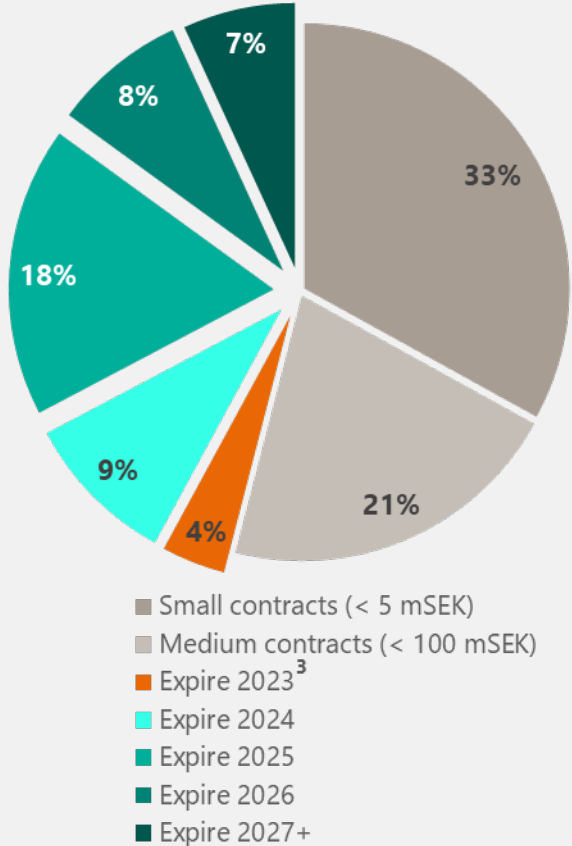
# Contract portfolio & maturity

## 2023 Contract portfolio changes<sup>1</sup>

SEKm



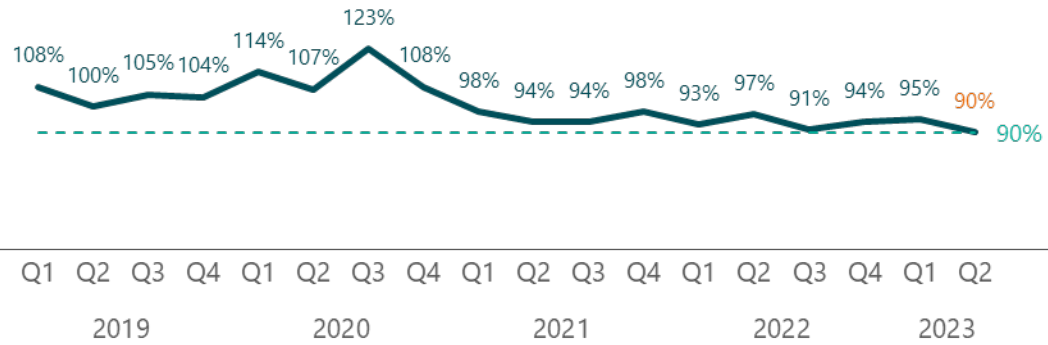
## Large<sup>2</sup> contract maturity



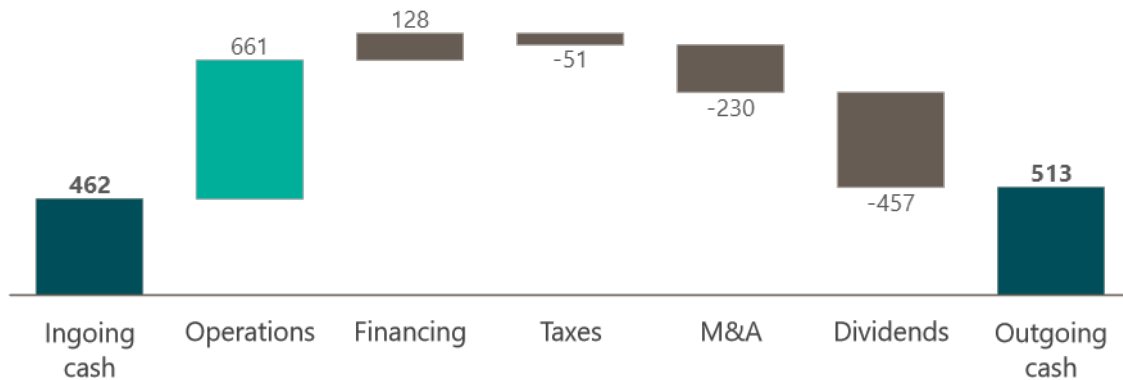
<sup>1</sup> Customer contracts >5 SEKm per year  
<sup>2</sup> Customer contracts > 100 SEKm per year  
<sup>3</sup> Ericsson

# Stable cash conversion

## Cash conversion (LTM)



## Cash flow (LTM), Q2 2023

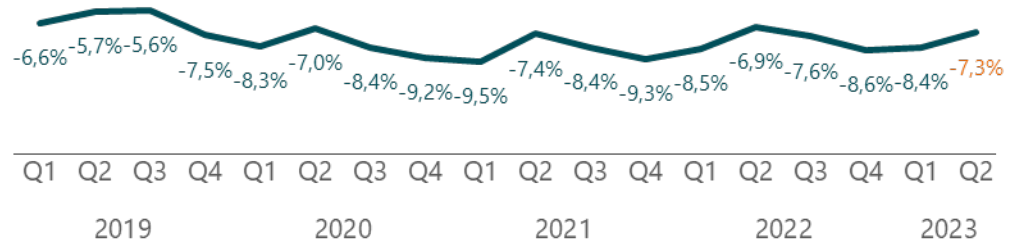


## Key comments

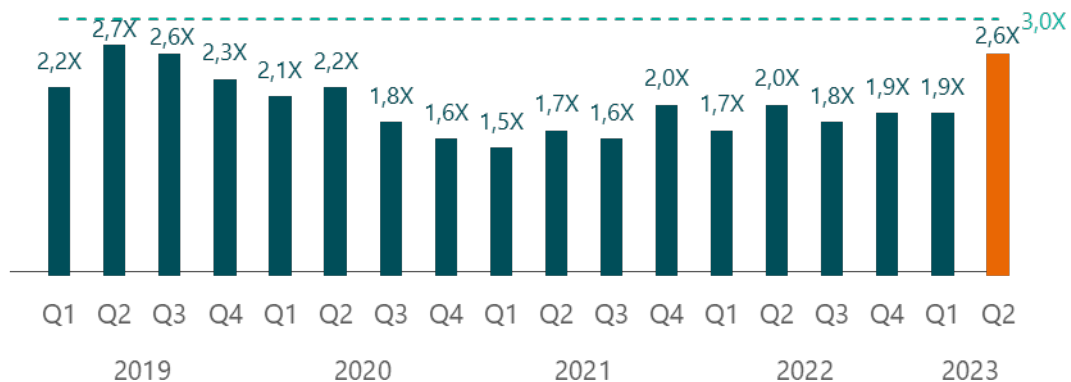
- Continued stable contribution from operations, cash conversion at 90% (LTM) in Q2 2023
- Stable pattern on customer payments
- M&A related to Skaraborgs Stöd in Sweden

# Balance sheet

## NWC, % of Net Sales (LTM)



## Leverage



## Key comments

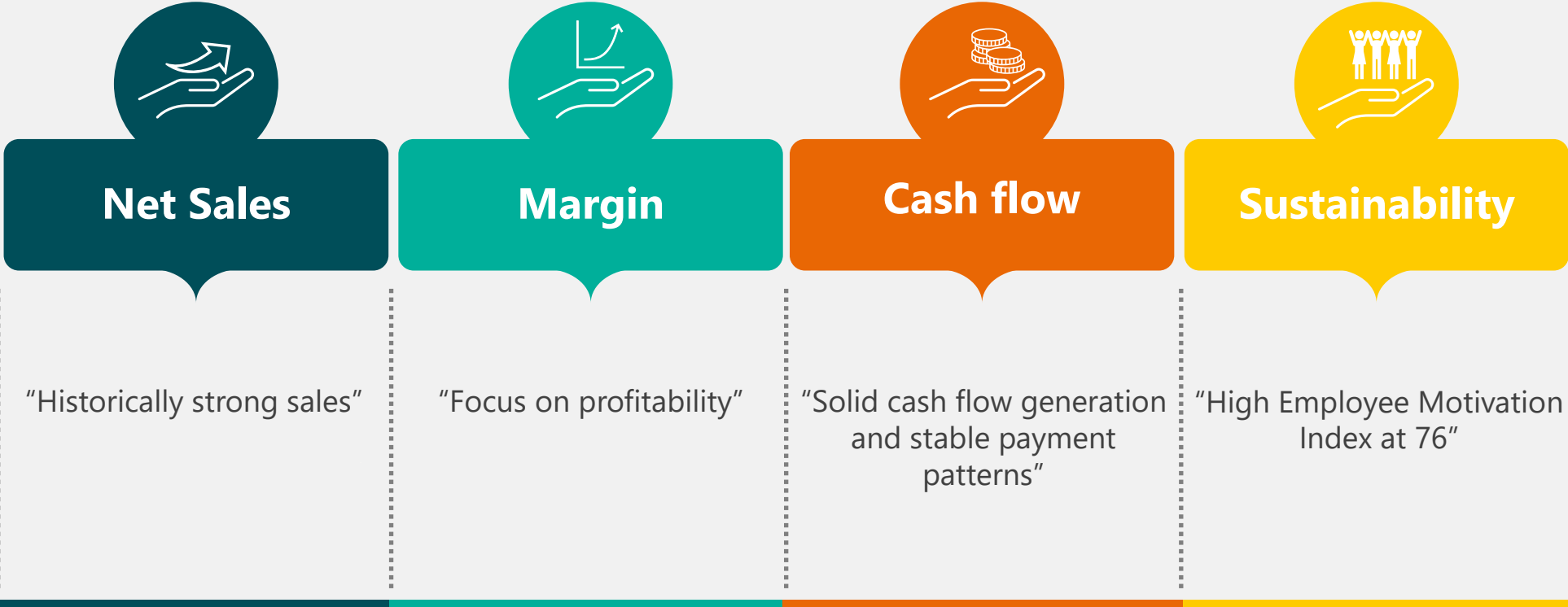
- Net Working Capital as % of Net Sales (LTM) at -7%, in line with Q2 last year
- Balance sheet normalized compared to pandemic period that had lower variable volumes
- Leverage at 2.6X, increase vs previous quarter from distributing ordinary dividends and finalizing acquisition of Skaraborgs Ståd



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# Summary of the second quarter



# Q&A

Coor aims to create the happiest, healthiest and most prosperous workplace environments in the Nordic region

We strive tirelessly to build the teams and full-service solutions that enable our customers to do what they do best

