Interim report

Q1 2024

April 24, 2024

COOR

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

Coor is the leading FM provider in the Nordics

… with a clear ambition of becoming truly sustainable

Business

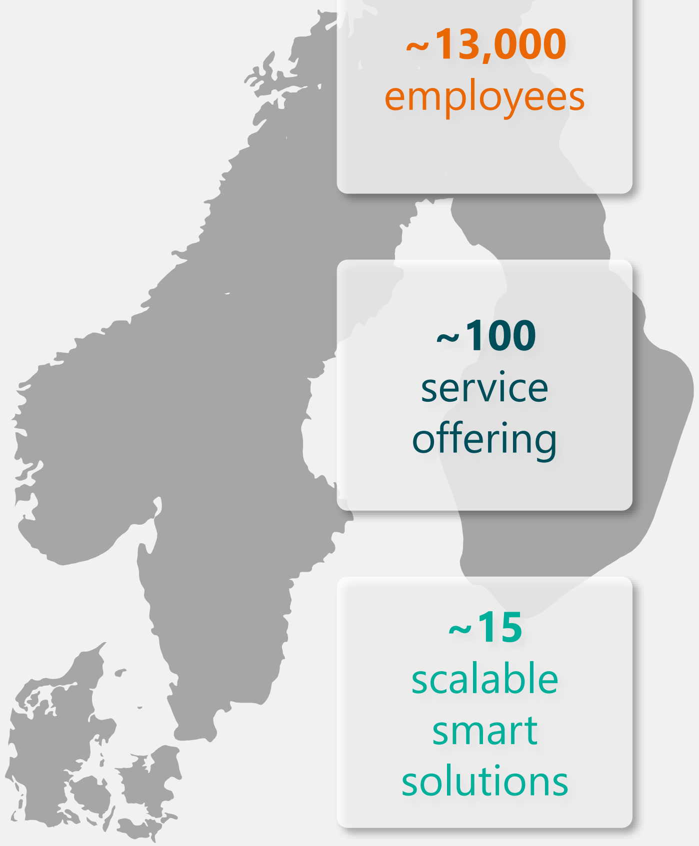
- Stable financial development
- High customer satisfaction

Social

- Engaged and motivated employees
- Zero accidents and zero long-term sick leave
- Equal opportunities

Environmental

- Responsible consumption
- Reduce greenhouse gases



~13,000 employees

~100 service offering

~15 scalable smart solutions

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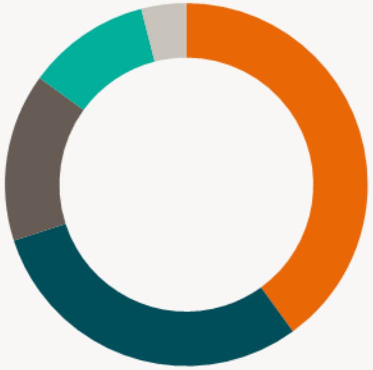
Net Sales segmentation

Turnover by contract type

- IFM 57%
- Single services 43%

Turnover by service



- Cleaning 40%
- Property 30%
- Workplace 15%
- Food & Beverage 11%
- Other 4%

Turnover by customer segment

- Public 32%
- Manufacturing 21%
- Energy 14%
- Real estate & Construction 10%
- IT & Telecom 8%
- Other 15%

Net Sales (LTM)

12.6

bnSEK

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Agenda

1. Key highlights in the quarter
2. Financial performance
3. Sum-up and Q&A

Key highlights

- Continued growth opportunities in the Nordic market with organic growth as priority
- Key prolongations
  - Five-year prolongation with **ICA** in a partnership-contract
  - Five-year prolongation with **SAAB**
  - **Heimstaden** in Sweden, **Topsoe** in Denmark and **VTT** Technical Research Centre in Finland
- New IFM contract with **Sweco** in Sweden and **Anvil** in Norway, new F&B contract with **Clever** in Denmark
- Startup of IFM contract with **Swedbank** progressing well
- Integration of acquired **Skaraborgs Städ** proceeding as planned
- Action programme proceeding according to plan

Important contract extensions and continued earnings improvement

Business responsibility	Q1 2024	Q1 2023	LTM	Mid-long term target
Organic growth	2%	-1%	3%	**4-5%** Organic net sales growth over a business cycle
Acquired growth	3%	0%	3%	**n/a**
Adj. EBITA margin	5.1%	5.1%	4.9%	**~5.5%** Adj. EBITA margin
Cash conversion[1)]	90%	95%		**>90%** (Adj. EBITDA – CAPEX – ΔWC) / Adj. EBITDA
Leverage[1)]	2.4x	1.9x		**<3.0x** Net debt / Adj. EBITDA LTM
Customer Satisfaction[2)] **Customer satisfaction index** (CSI)	71	71		**≥70**

[1] LTM [2] Survey conducted once a year

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Positive environmental development

Social and environmental responsibility	Q1 2024	Q1 2023	Mid-long term target
Engaged and motivated employees[1] **Employee motivation index** (EMI)	76	76	≥70
Safe work environment[2] **Total Recorded Injury Frequency** (TRIF)	5.9	7.0	≤3.5 Total number of accidents x 1,000,000/ number of hours worked
Equal opportunities **Share female / male managers**	53% / 47%	50% / 50%	50% / 50%

Environmental responsibility			
Scope 1 – From our vehicles **Reduction of greenhouse gases**[2]	7%	23%	-50% Total CO2e emissions from Scope 1 and 2 compared to baseline in absolute numbers (tCO2e)
Scope 2 – From our premises **Reduction of greenhouse gases**[2,3]	-58%	-57%	
Scope 3 - From F&B **Reduction of greenhouse gases**[2]	-20%	-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 greenhouse gases**[2]	19%	5%	75% of suppliers by emissions will be aligned to Science Based Targets

[1] Survey conducted once a year [2] LTM [3] Measured at year end

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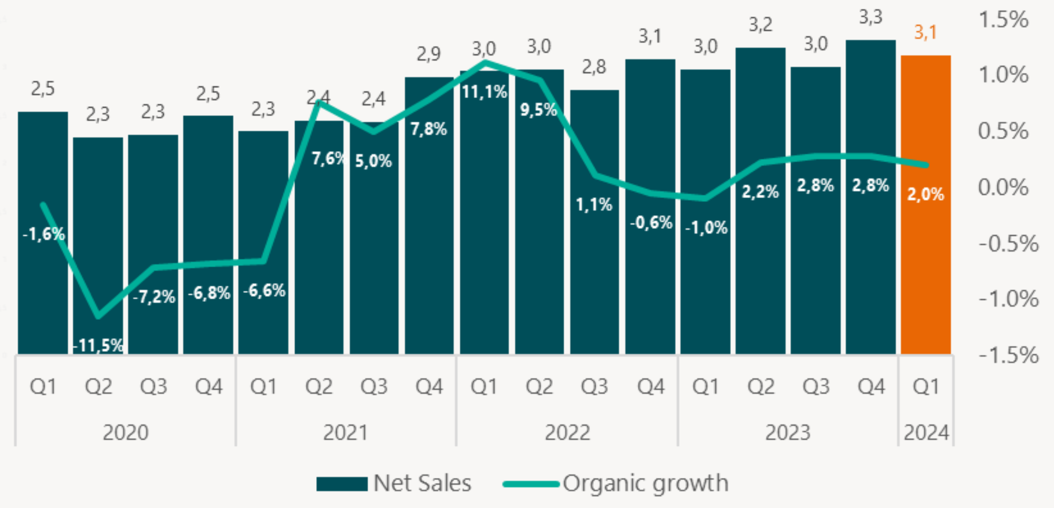
Sales and Adj. EBITA development

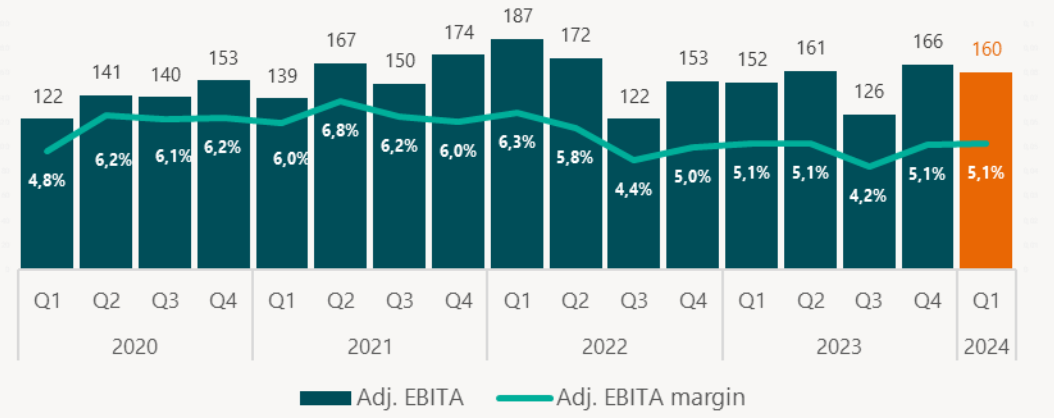
Profit & Loss

	Q1 2024	Q1 2023	Chg.	LTM Q1	Full-year 2023
Net sales	3 124	2 978	146	12 589	12 443
Adj. EBITA	160	152	8	613	606
Adj. EBITA margin	*5,1%*	*5,1%*	*0,0%*	*4,9%*	*4,9%*
EBIT	125	106	19	383	364
Financial net	-39	-31	-8	-152	-144
Income tax expense	-24	-20	-4	-69	-65
Net income	62	55	7	162	155
Add-back amortization	20	30	-10	120	130
Adj.Net income	82	85	-3	282	285

Net Sales development, bnSEK



Adj. EBITA development, mSEK



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By geographic region

SWEDEN
Share of Net Sales

53%

- Organic growth from new contracts such as Swedbank together with continued high variable volume more than compensate lost contracts
- Newly started contracts, the acquisition of Skaraborgs Städ and effects from action programme contribute positively to EBITA
- EBITA and Margin negatively affected by the lost contract with Ericsson. The effect is amplified by lost synergies with other contracts, which the business is gradually managing

	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24
Organic Growth (%)	-4	3	-1	0	3
Acquired Growth (%)	1	4	7	6	6
EBITA Margin (%)	9.9	9.3	7.7	8.8	9.4

DENMARK
Share of Net Sales

24%

- Negative organic growth from a couple of ended midsized public contracts
- Stronger EBITA and margin mainly explained by the adaptations of the Danish organization that were carried out during last year together with retroactive volume adjustment of one larger contract

	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24
Organic Growth (%)	18	6	0	1	-4
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	4.1	4.5	3.8	5.4	4.9

NORWAY
Share of Net Sales

17%

- Organic growth from several midsized contracts such as SiO and IKEA
- Negative development of EBITA and margin primarily attributable to bad weather conditions delaying personal to our offshore delivery together with a newly started contract requiring greater resource inputs than previously expected

	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24
Organic Growth (%)	-9	-4	18	15	8
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	4.2	3.7	3.3	4.0	3.5

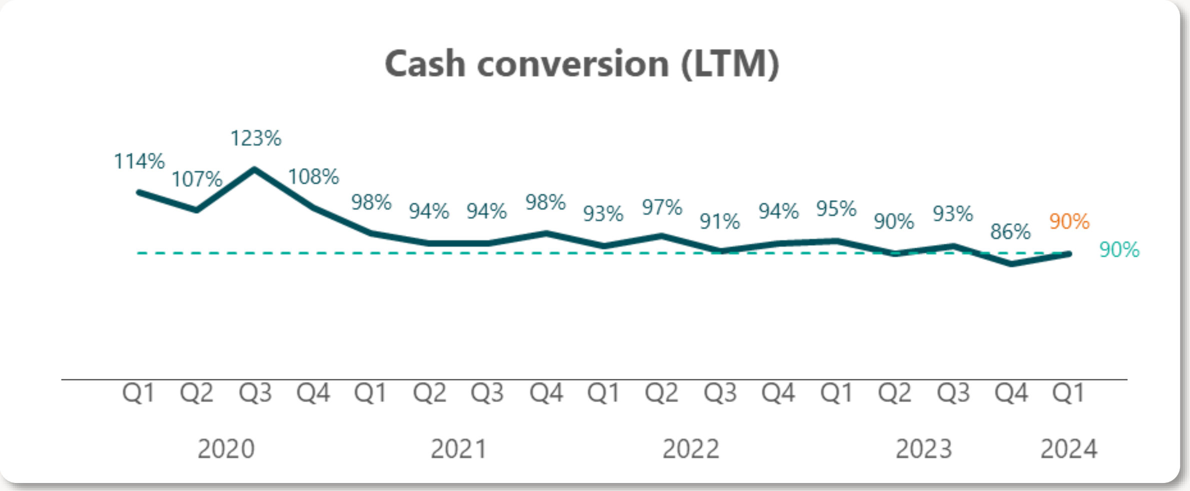
FINLAND
Share of Net Sales

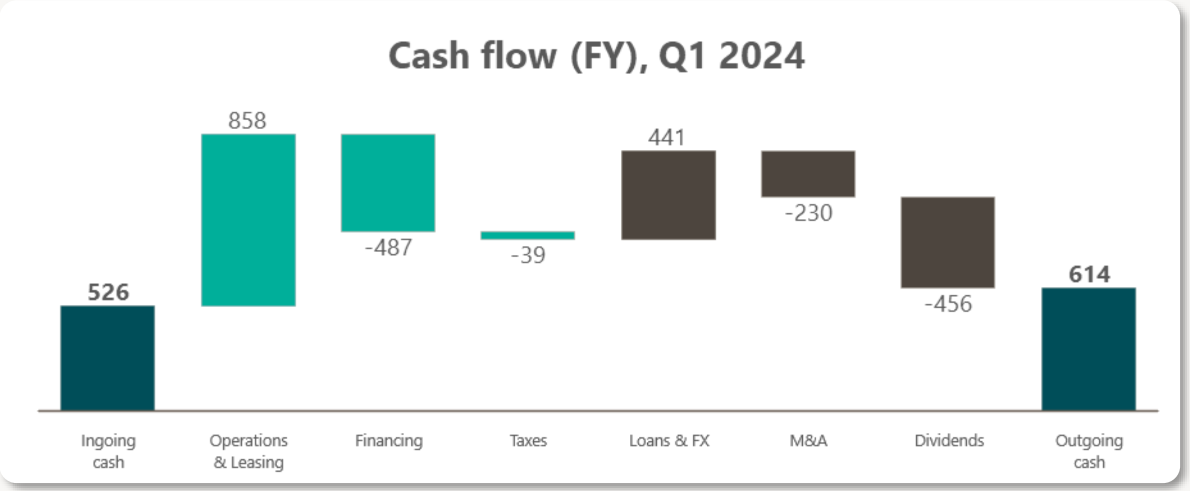
6%

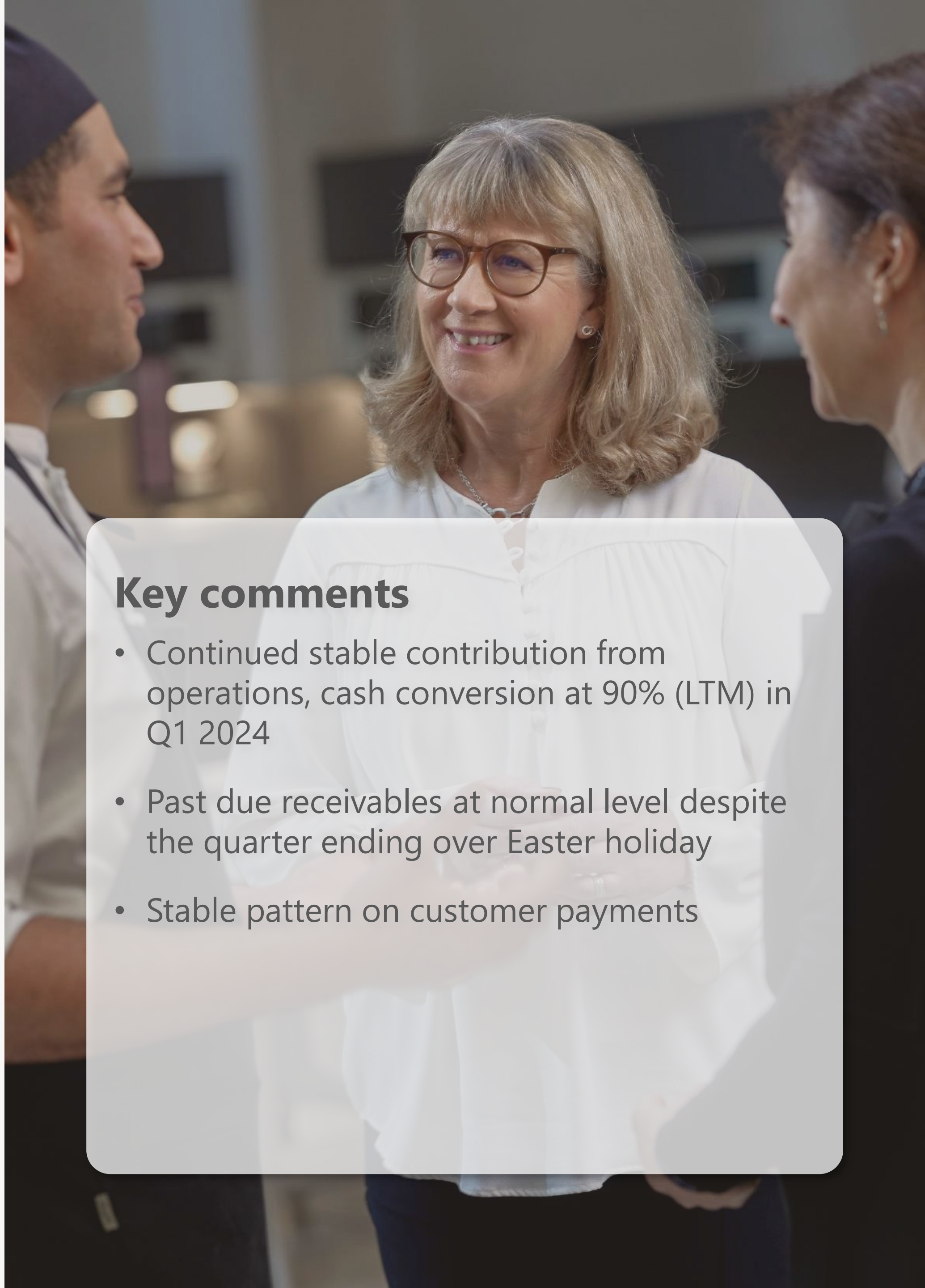
- Organic growth from new contracts and high variable volumes, partly offset by a couple of discontinued small loss-making contracts in northern Finland
- EBITA and margin largely unchanged compared to LY. Implemented efficiency actions and a couple of terminated loss-making contracts impact profitability positively but heavy winter work impact negatively

	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24
Organic Growth (%)	-10	3	4	4	4
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	0.7	1.2	5.8	1.2	0.3

Stable cash conversion



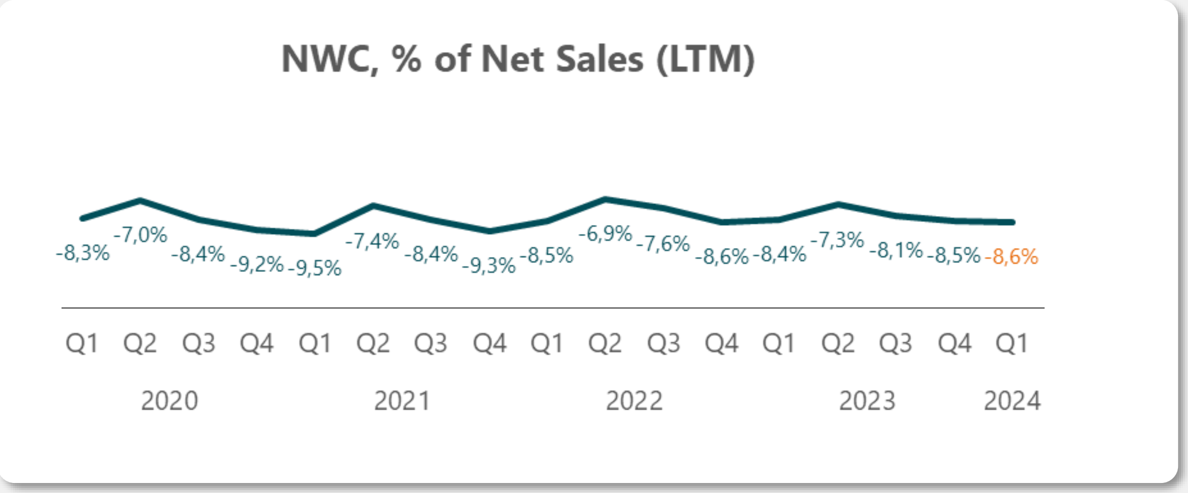


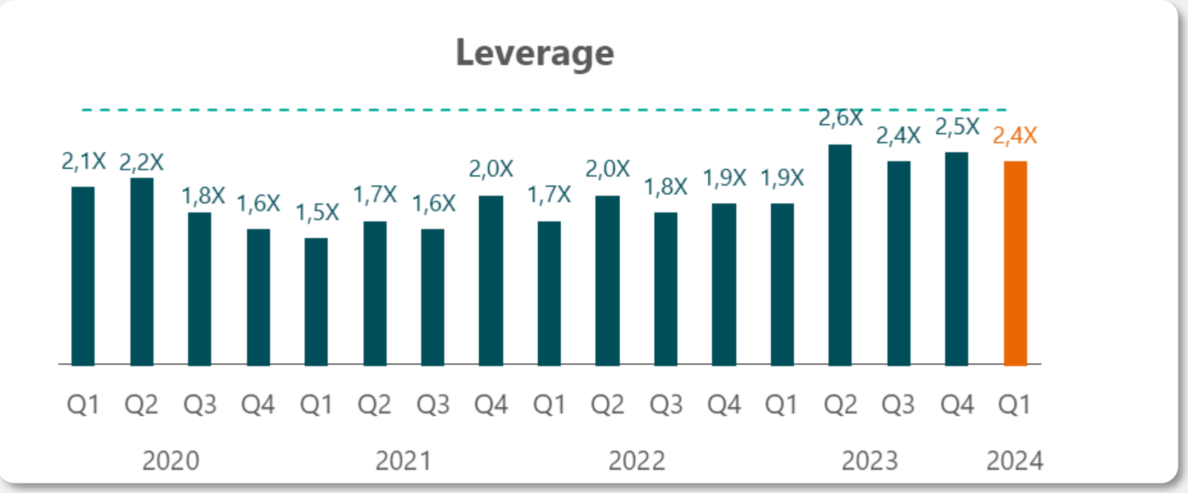


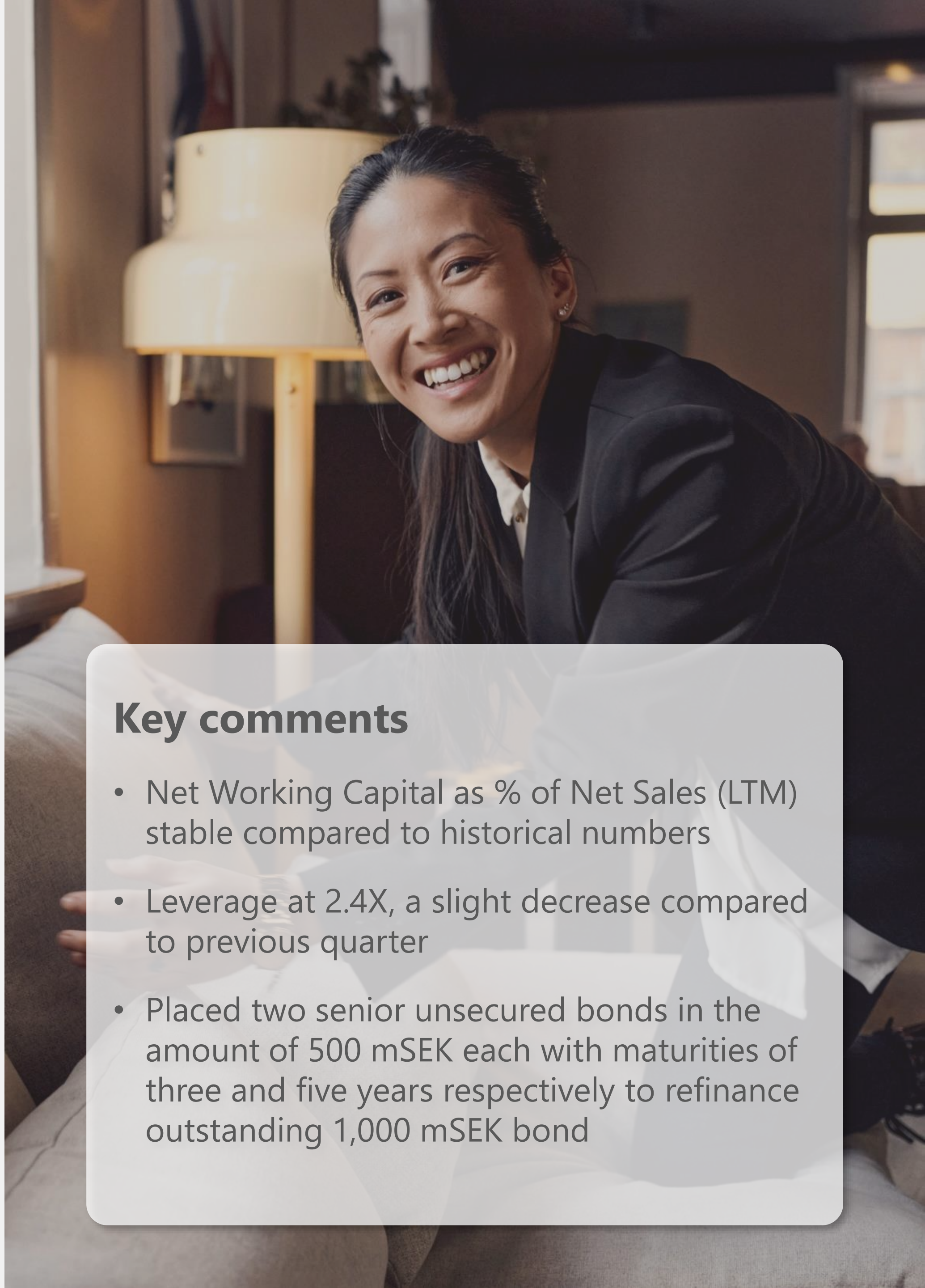
Key comments

- Continued stable contribution from operations, cash conversion at 90% (LTM) in Q1 2024
- Past due receivables at normal level despite the quarter ending over Easter holiday
- Stable pattern on customer payments

Balance sheet







Key comments

- Net Working Capital as % of Net Sales (LTM) stable compared to historical numbers
- Leverage at 2.4X, a slight decrease compared to previous quarter
- Placed two senior unsecured bonds in the amount of 500 mSEK each with maturities of three and five years respectively to refinance outstanding 1,000 mSEK bond

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Summary of the first quarter

Business

Key prolongations and new contract wins

Continued growth opportunities in the Nordic market

Profitability

Action programme proceeding according to plan

Leverage

Solid cash flow generation

Placed new senior unsecured bonds with maturities of three and five years

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