Year-End Report

Q4 2024

Feb 6, 2025

Peter Viinapuu, Acting President and CEO
Andreas Engdahl, CFO and IR Director

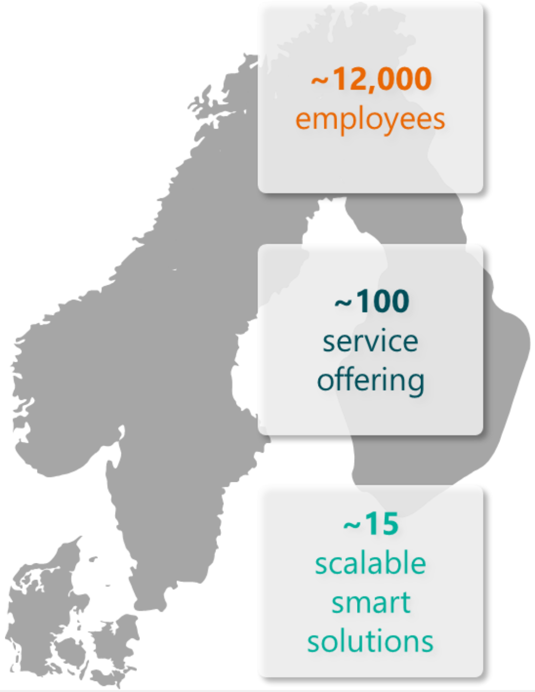
Coor is the leading FM provider in the Nordics

... with a clear ambition of becoming truly sustainable

Organic growth Q4
-3%
(3%)

Adj EBITA-margin Q4
3.3%
(5.1%)

Cash conversion Q4 LTM
57%
(86%)



Agenda

- Key highlights
  - Market
  - Profitability
  - Dividend
- Financials
- Key take aways

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
- Net Zero 2040

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Key highlights

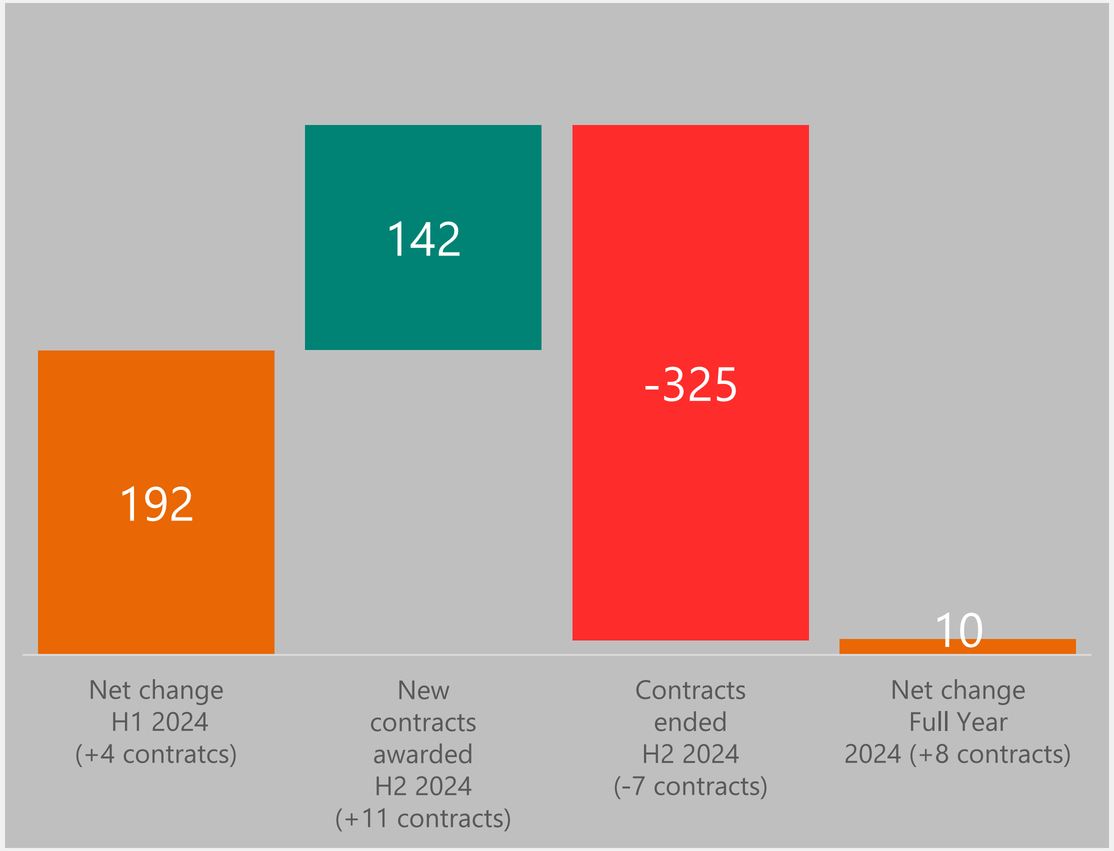
Stable market conditions, profitability was largely impacted by operational challenges

- **Stable market conditions, continued strong customer deliveries in Q4**
  - **Continued successful in extending important contracts**
  - **Several new wins in the medium and small segment**
- Profitability largely impacted by operational challenges in Sweden and Denmark but also from a complex organizational structure
  - Action plans being implemented to restore profitability
  - Implementation of a simplified organization to reduce personnel costs, affecting 130 positions and saving approximately SEK 120 million annually
- The Board of Directors proposes a dividend of SEK 1.50 per share for 2024. In addition to the dividend, the Board of Directors intends to initiate a share buy-back programme corresponding to ~0.50 SEK/share

2024 Contract portfolio changes

Offsetting large IFM losses with diverse new wins

SEKm, Customer contracts >5 SEKm per year



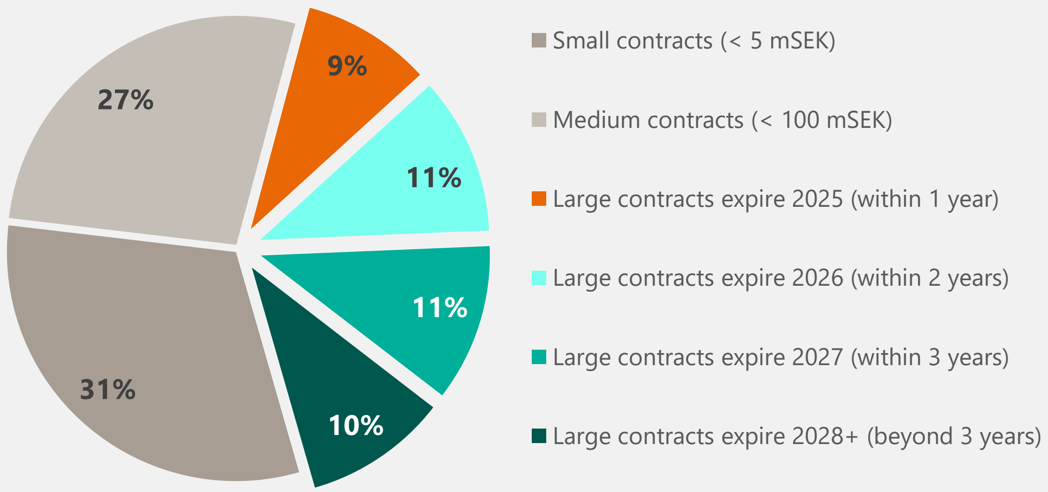
- Several midsize wins in H2 2024: Gävle municipality, Semco maritime, Telenor Towers, Steen og Strøm Oslo
- Ended contracts in H2 2024 largely related to Region Gävleborg and property part of the contract with SAAB

Retention and large contract maturity

Winning new mid-sized contracts strengthens our position and proves our sustained competitiveness. Solid retention rate with several important large contract prolongations

Retention rate 2024 (SEK 2.9 bn)

88%



- Large volume of SEK 2.9 bn renegotiated during 2024 with a solid 88% retention rate.
- Important prolongations: PKA, Aker Solutions, PostNord, Alleima and Borealis
- Well diversified portfolio with close to 60% of volume in medium and small sized segment
- Winning new mid-sized contracts strengthens our position and proves our sustained competitiveness
- Large contracts up for prolongation in 2024 and 2025 has been reduced from 24% to 9%

Note: Large contracts > 100 SEKm per year

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  - **Action plans being implemented to restore profitability**
  - **Implementation of a simplified organization to reduce personnel costs, affecting 130 positions and saving approximately SEK 120 million annually**

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Sweden

Operational challenges in parts of the organisation affects profitability negatively, Swedish organisation actively working to strengthen staff planning to restore profitability

Share of Net Sales
54%

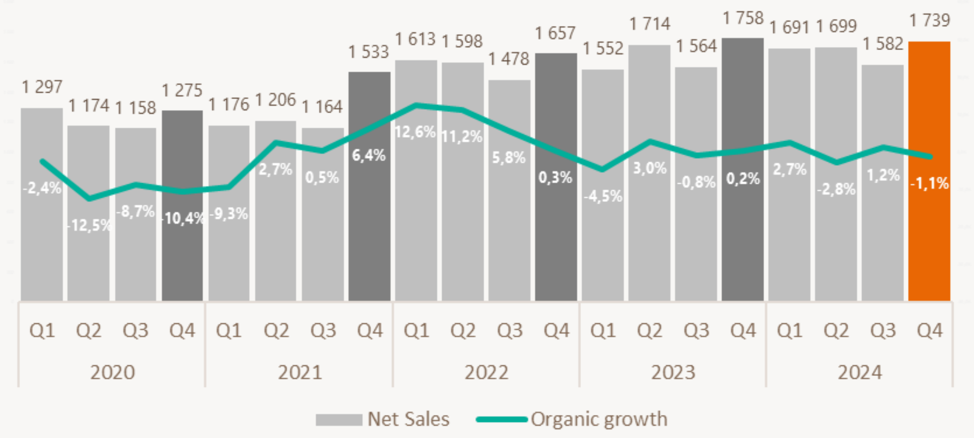
Organic growth
-1.1%
(LY 0%)

Adj EBITA-margin
7.3%
(LY 8,8%)

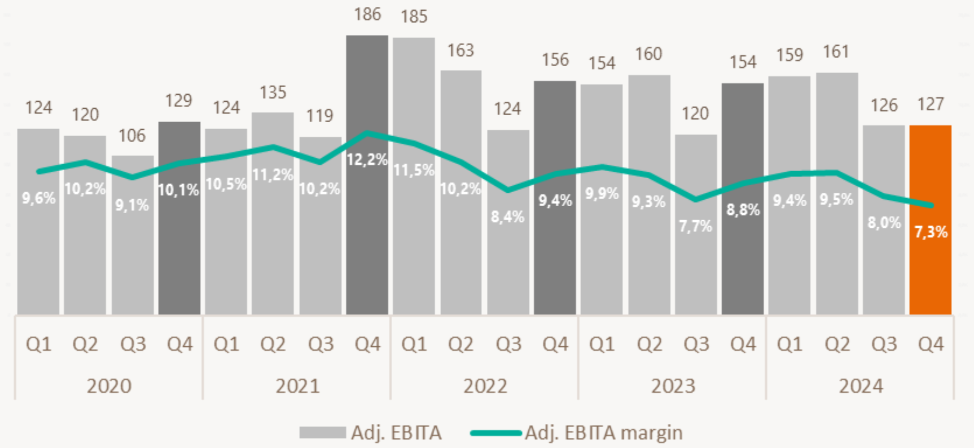
Q4 2024

- Positive effects from new contracts offset by the ended property part of the contract with SAAB. Also, a normalized level of variable volume compared with high levels in the same period last year
- Organic growth for the full year 6% excluding the ended contract with Ericsson in 2023
- Impact from the integration of Skaraborgs Städ still negative, actions taken after the third quarter have generated improvements and are estimated to give full effect at the beginning of 2025
- Increased personnel costs in a couple of other geographical regions in the cleaning operations as well as within parts of the security services in our property operations
- Swedish operations actively working to strengthen workforce planning to restore profitability in the affected operations

Net Sales development, mSEK



Adj. EBITA development, mSEK



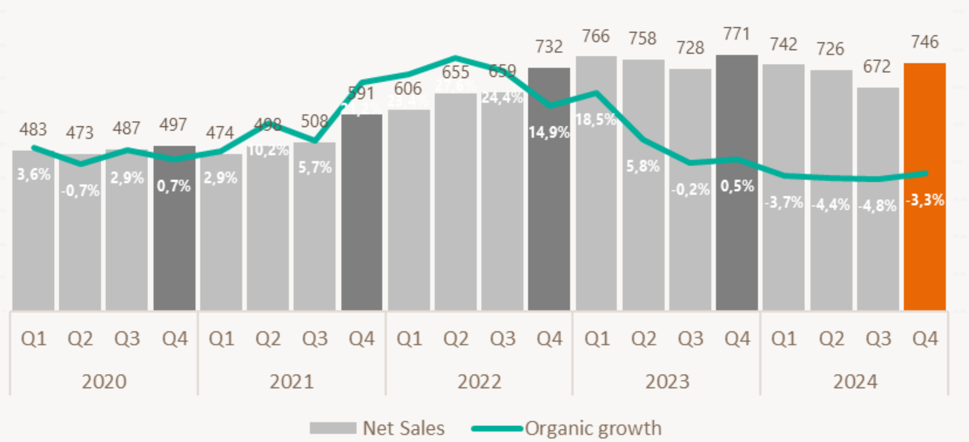
Denmark

Operational challenges in parts of the organisation affects profitability negatively, action plan related to management and improved control being implemented

Share of Net Sales
23%

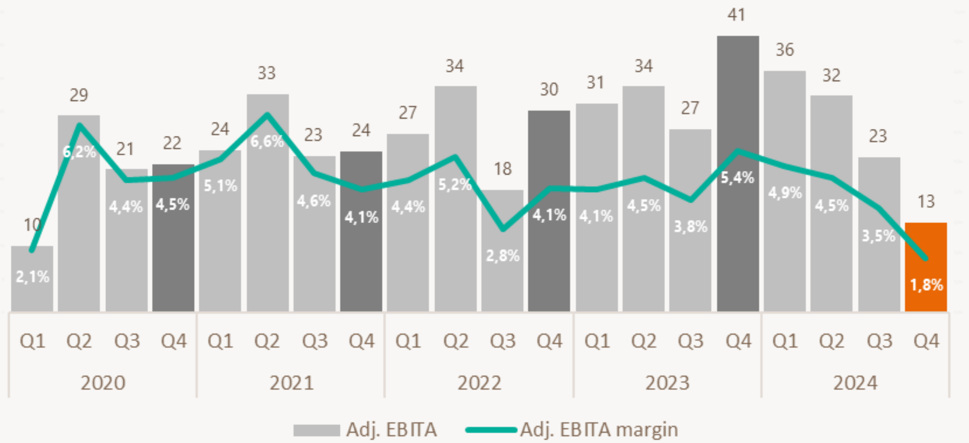
Organic growth
-3.3%
(LY 1%)

Adj EBITA-margin
1.8%
(LY 5,4%)



Q4 2024

- Negative organic growth from a couple of ended midsized public contracts as well as somewhat lower variable volume, primarily related to lower levels of snow removal
- Ended contracts and lower variable volume affects profitability negatively. Also, as commented in last year´s report the strong result contained some positive retroactive effects that also affects negatively in comparison with this year´s result
- Operational challenges resulting in higher personnel cost, primarily in the workplace and property operations affects negatively
- Clear action plan related to management and improved control being implemented during the first half of 2025.
- As part of the action plan, a recruitment process is also underway for a new CEO to lead the organization



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Norway

Margin improvements in a more mature contract portfolio

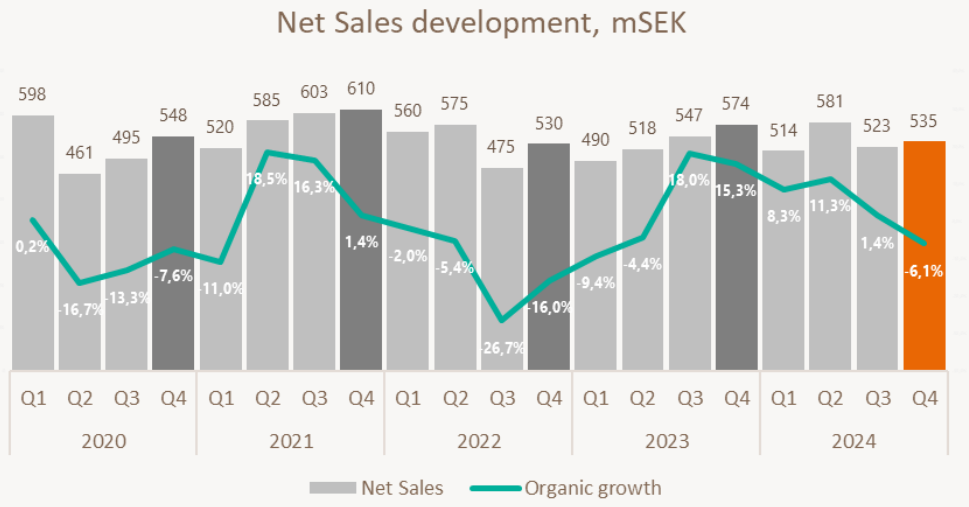
Share of Net Sales **17%**

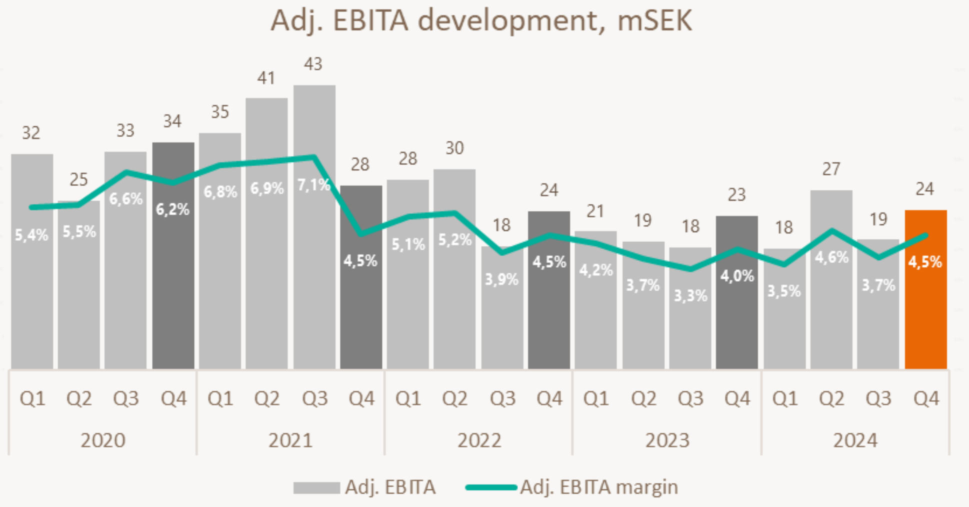
Organic growth **-6.1%** **(LY 15%)**

Adj EBITA-margin **4.5%** **(LY 4,0%)**

Q4 2024

- Negative organic growth from lower variable volumes and a proactively terminated contract during the quarter where the start-up period has showed that conditions for a sustainable delivery did not exist
- Higher adjusted EBITA and margin positively affected by a more mature contract portfolio compared to the same period previous year as well as the proactively terminated contract





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Finland

Margins in line with last year

Share of Net Sales
6%

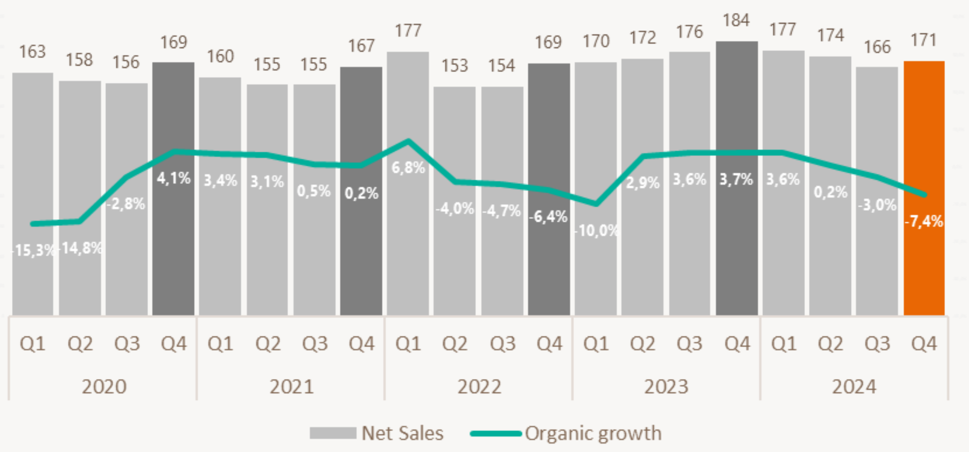
Organic growth
-7.4%
(LY 4%)

Adj EBITA-margin
1.0%
(LY 1,2%)

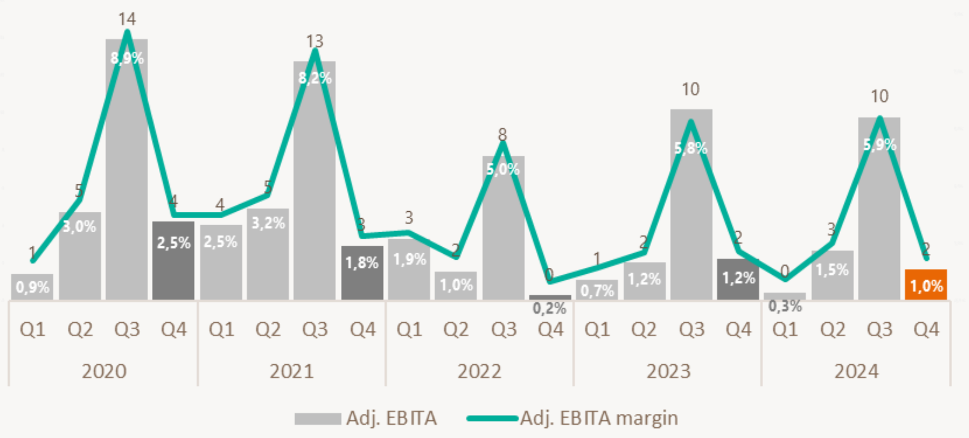
Q4 2024

- Negative organic growth explained by a couple smaller contracts ended as well as lower variable volume related to snow removal
- Adjusted EBITA and margin largely unchanged compared to previous year

Net Sales development, mSEK



Adj. EBITA development, mSEK



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Implementation of simplified organisation

Implementation of a simplified organisation to reduce personnel costs, affecting 130 positions and saving approximately SEK 120 million annually

- Action program launched in the third quarter of 2023 aimed to accelerate margin improvements towards the long-term margin target of 5.5 percent. The program contained two main activities
  - Realizing economies of scale and synergies through strengthened harmonisation of underlying processes
  - Increased focus on procurement to utilize Nordic economies of scale
- Activities related to procurement has realised expected effects. However, synergy targets related to increased harmonisation have not been met.
- This is partly explained by a complexity in the organisation that has resulted in both challenges in implementing harmonised processes and increased costs for administrative functions
- Action program is therefore supplemented with a simplified and unified organization. Will give a more efficient and flexible organisation that has better conditions to realise the desired effects of the ongoing harmonisation work while reducing personnel costs in administration throughout the organisation
- The reorganisation covers a reduction of 130 positions and means full-year savings of approximately SEK 120 million. The new organisation comes into force on 1 April 2025 and the savings effects are expected to occur gradually during the first half of the year

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Shareholder remuneration

- The Board of Directors propose a dividend of 1.50 SEK/share, 1.00 SEK/share as ordinary and 0.50 SEK/share as extra, in total corresponding to 75% of Adjusted Net profit

- The company intend to authorizes a buyback program of up to SEK 50 million, corresponding to ~1,5% of outstanding shares and 25% of Adjusted Net profit.
  - Any shares acquired will be cancelled and will have a positive impact on future dividends per share

- In total, the proposed dividend and buyback program corresponds to 100% of Adjusted Net profit and the total possible remuneration currently constitutes 5,8% yield based on share price at 2024 year-end

Stable market conditions, profitability largely impacted by operational challenges

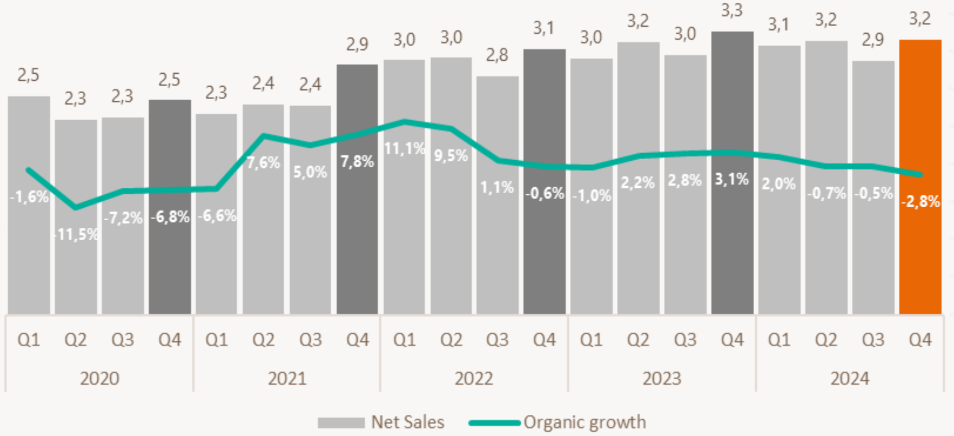
Business responsibility	Q4 2024	Q4 2023	FY24	Mid-long term target
Organic growth	-3%	3%	-1%	4-5% Organic net sales growth over a business cycle
Acquired growth	0%	3%	1%	n/a
Adj. EBITA margin	3,3%	5,1%	4,4%	~5,5% Adj. EBITA margin
Cash conversion[1)]	57%	86%		>90% (Adj. EBITDA – CAPEX – ΔWC) / Adj. EBITDA
Leverage[1)]	3,0x	2,5x		<3,0x Net debt / Adj. EBITDA LTM
Customer Satisfaction[2)] **Customer satisfaction index** (CSI)	70	71		≥70

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

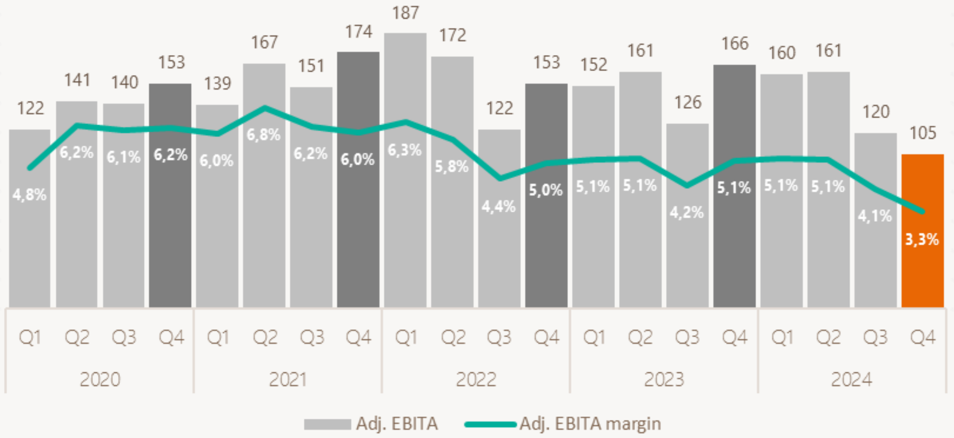
Net Sales and Adj. EBITA development

Profit & Loss	Q4 2024	Q4 2023	Chg.	Full-year 2024	Full-year 2023
Net sales	3 192	3 287	-95	12 439	12 443
Adj. EBITA	105	166	-61	546	606
Adj. EBITA margin	*3,3%*	*5,1%*	*-1,8%*	*4,4%*	*4,9%*
EBIT	43	86	-43	372	364
Financial net	-43	-39	-3	-177	-144
Income tax expense	-12	-16	4	-68	-65
Net income	-13	30	-43	126	155
Add-back amortization	15	23	-8	67	130
Adj.Net income	2	53	-50	193	285

Net Sales development, bnSEK

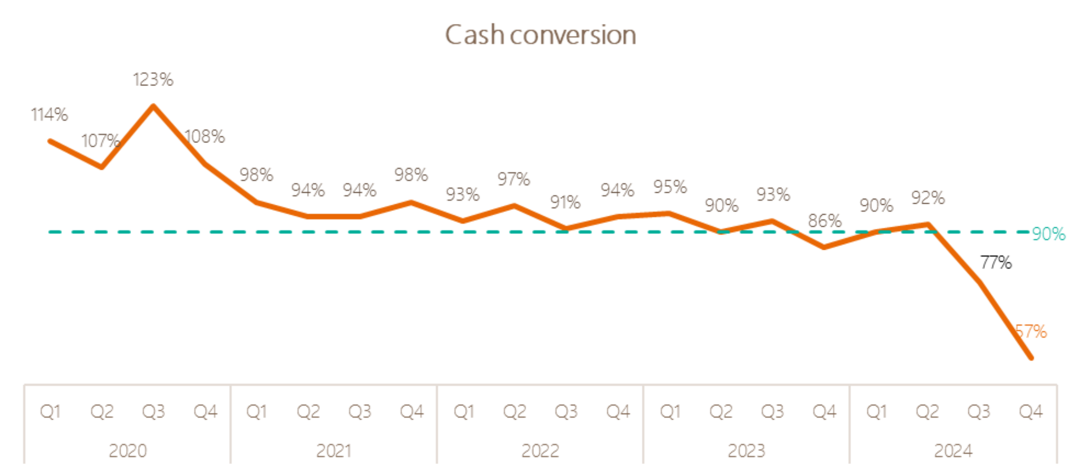


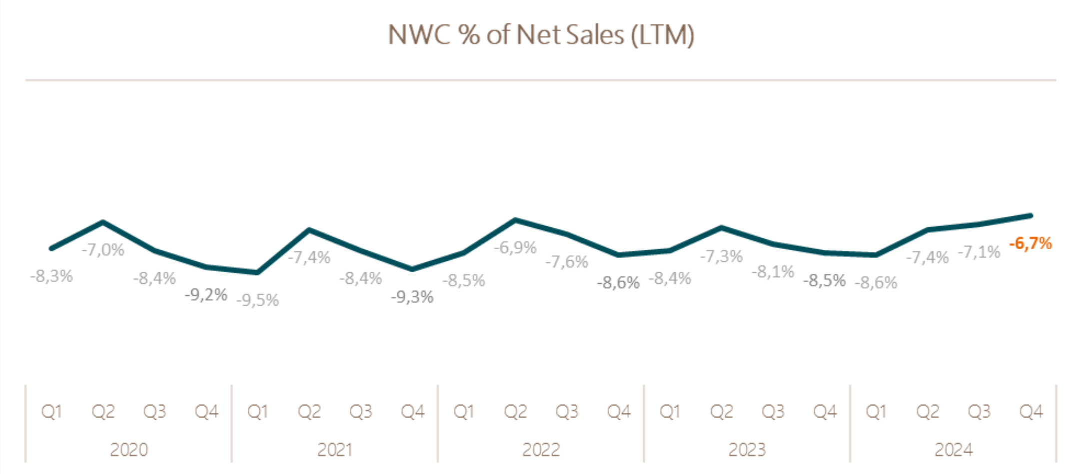
Adj. EBITA development, mSEK

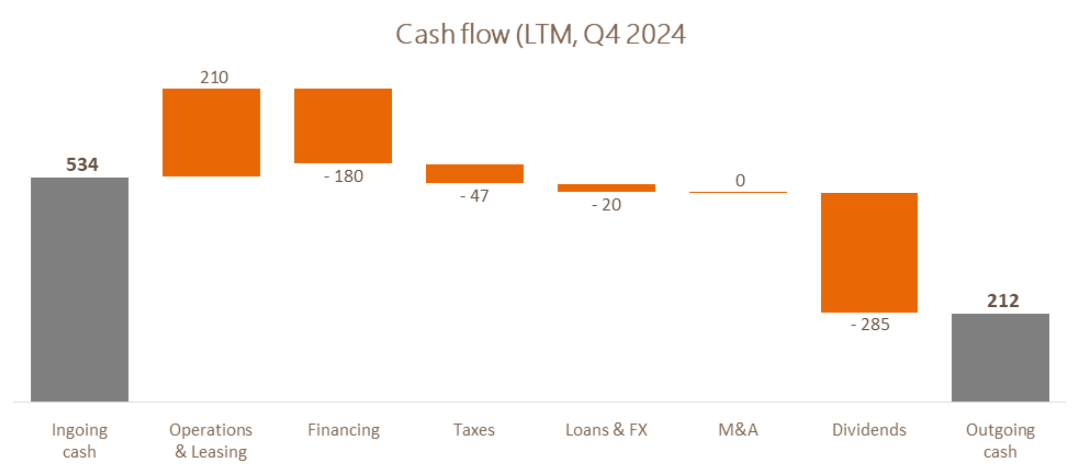


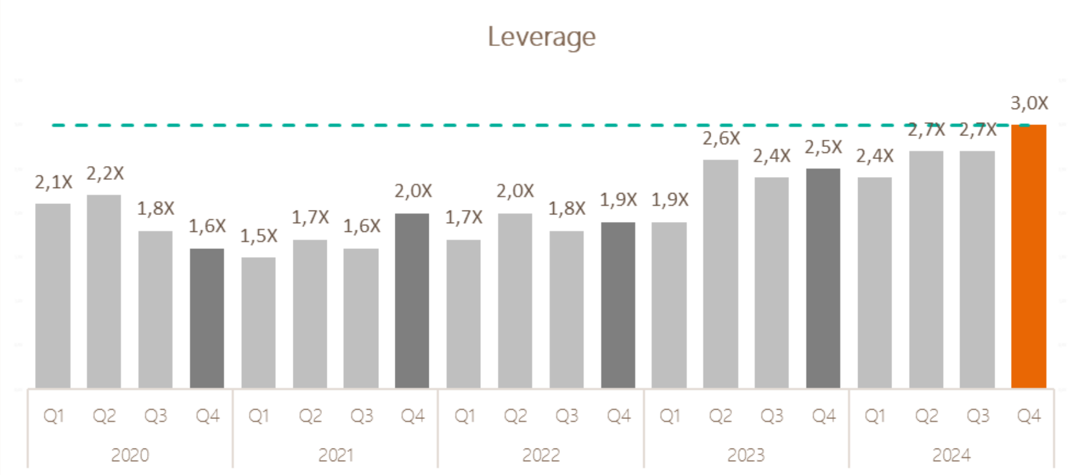
Cash flow and Balance sheet

Leverage at financial target of 3.0x, ambition to reduce leverage below 2.5x during 2025



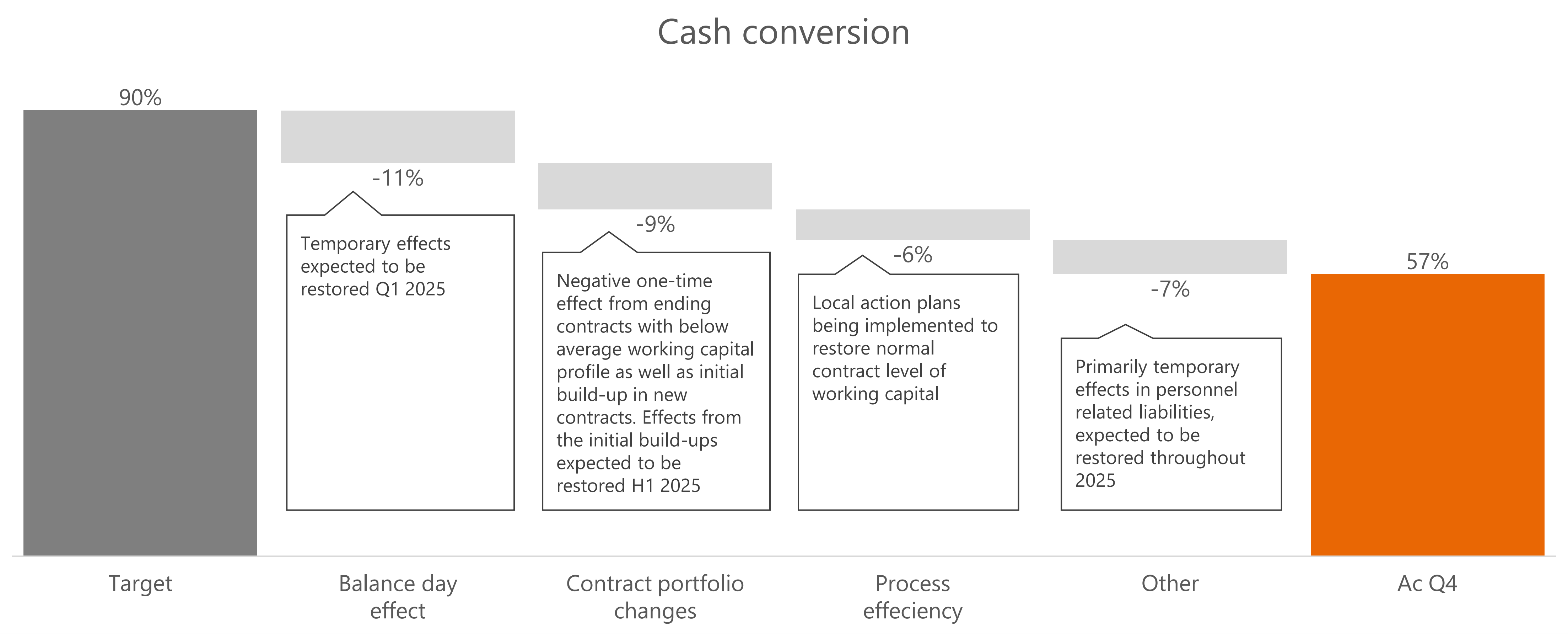






Cash conversion

Weak cash generation in 2024 driven by working capital build-up, several actions aimed at restoring the level of working capital in 2025 being implemented



Key take aways

Building a stronger Coor for the future

- Still see good underlying growth in a stable market, and Coor is demonstrating continued competitiveness through successful tenders
- Focus remains on maintaining strong service delivery to our customers while also strengthening our operational efficiency and profitability
- A simplified organisation will give us a more efficient and flexible organisation that has better conditions to realise the desired effects of the ongoing harmonisation work while reducing personnel costs in administration throughout the Group
- We look forward with confidence to 2025, where the measures we are implementing will position us well to reach our long-term margin target of 5.5 per cent for the full year 2026

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