



Q1 Report January-March 2020

Mikael Stöhr, President and CEO
Klas Elmberg, CFO and IR Director

April 28, 2020

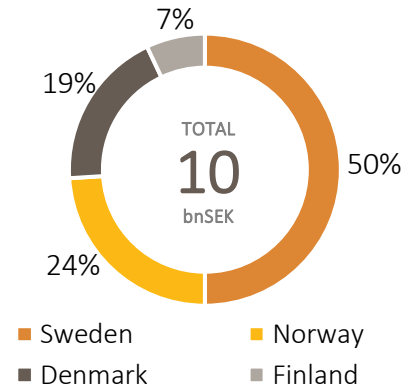


Coor is the Nordic market leader in IFM

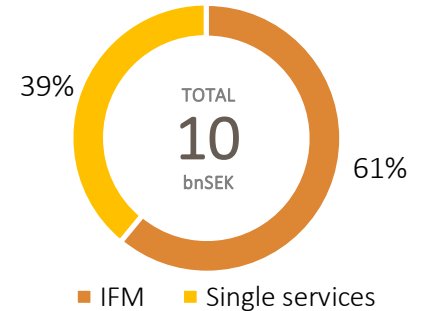
- Tailored customer proposition - **SERVICE** *with IQ*
- Coor aims to create the happiest, healthiest and most prosperous workplace environment in the Nordic Region
- Broad service offering within workplace services, property services and strategic advisory services



TURNOVER BY COUNTRY



TURNOVER BY CONTRACT TYPE



Covid-19, Q1 summary

COOR'S NUMBER ONE PRIORITY IS THE HEALTH AND SAFETY OF OUR EMPLOYEES AND OUR CUSTOMERS' EMPLOYEES

- Coor crisis teams fully mobilized already in February
 - Country organizations crisis teams
 - Coor Group crisis team
- Coor's service deliveries contribute to maintaining critical functions in our community
 - Important deliveries to e.g. healthcare, infrastructure and law enforcement.
- Negative impact on variable volumes,
 - Mainly F&B but also in other services from 2nd half of March
 - Increased volumes from additional cleaning is so far limited.
- Subscription volumes
 - Not automatically impacted by covid-19
 - A pandemic is, in Coor's general Terms & Conditions, not force-majeure.
 - Close partnership with customers to find sustainable solutions, short- and long term
- Cost reductions to minimize negative financial impact
 - Short term lay-offs and terminations affect 20% of all employees
 - Reduction of sub-contractors, purchased goods and other internal costs.
 - The negative impact on the Q1 operating profit is estimated to 15 MSEK
- Strong focus on cash-flow
 - Detailed follow-up on customer payments. Payment pattern unchanged so far
 - Reduction of Capex going forward
- Dividend, incentive programs and fees
 - The board propose that the AGM resolves not to distribute any dividend
 - Coor's board of directors has resolved to withdraw its proposal on a new LTIP for the Coor management for 2020
 - Coor's nomination committee has announced that it intends to propose unchanged fees for the board of directors for 2020, thus revising its previous proposal.

Q1 characterized by covid-19 but with continued strong cash-flow

KEY TARGETS	Q1 2020	Q1 2019	LTM	MID-LONG TERM
Organic Growth	-2%	10%	2%	4-5% <i>Organic net sales growth over a business cycle</i>
Acquired Growth	2%	7%	1%	N/A
EBITA-Margin	4.8%	5.2%	5.2%	~5.5% <i>Adjusted EBITA margin</i>
Cash Conversion	114%	108%	114%	>90% <i>(Adj EBITDA – CAPEX – ΔWC) / Adj EBITDA</i>
Leverage	2.1x	2.2x	2.1x	<3.0x <i>Net debt / Adjusted EBITDA LTM</i>

BUSINESS HIGHLIGHTS Q1

- Covid-19, covered on page 3

- Strong focus on the large integrations and efficiency
 - Norrlands Miljövård (Sweden)
 - Danish Police, the Prison and Probation Service and the Public Prosecution Agency (Denmark)
 - ICA (Sweden)
 - New Finnish IFM-contract to be started in May

- Continued market activity with several prolongations
 - Large IFM: Borealis (~100 MSEK), Vasakronan (~120 MSEK), Equinor offshore (~200 MSEK)
 - SME: Akelius, Hemsö, Arcus, Ballerup Municipality

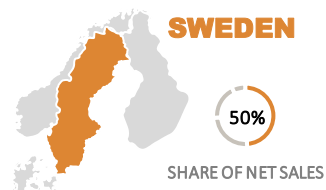
- Solid pipeline ahead
 - Several interesting IFM opportunities still expected to reach the market in 2020



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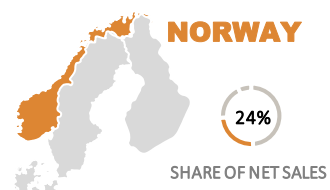


Country by country



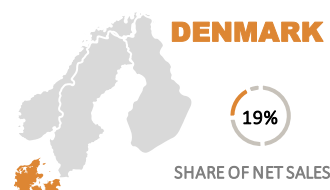
	Q1 20	Q1 19
Organic Growth	-2%	7%
Acquired Growth	5%	0%
EBITA Margin	9.6%	9.0%

- Variable volumes declined compared to high levels LY followed by an accelerating impact of covid-19, mainly F&B
- Positive volume impact from new business, e.g. ICA, and the acquisition of Norrlands Miljövärd
- Margin and profit improvement from efficiencies across the organization and Norrlands Miljövärd, despite negative effects from covid-19



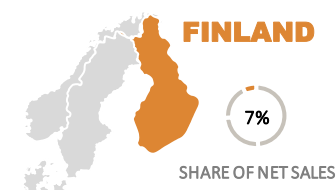
	Q1 20	Q1 19
Organic Growth	0%	9%
Acquired Growth	0%	8%
EBITA Margin	5.4%	5.8%

- The initial positive development on variable volumes offset by the negative impact from covid-19, mainly F&B
- A general restraint from Oil & Gas industry in last part of Q1
- Margin decline mainly driven by covid-19



	Q1 20	Q1 19
Organic Growth	4%	20%
Acquired Growth	0%	39%
EBITA Margin	2.1%	4.1%

- Organic growth mainly from the new extended and expanded contract with the Danish Police partly offset by lower volumes from covid-19, mainly F&B
- Negative one-off (~5 MSEK) from restructuring, mainly driven by covid-19
- Second wave of internal efficiency ongoing and improvements expected in 2020



	Q1 20	Q1 19
Organic Growth	-15%	13%
Acquired Growth	0%	0%
EBITA Margin	0.9%	0.7%

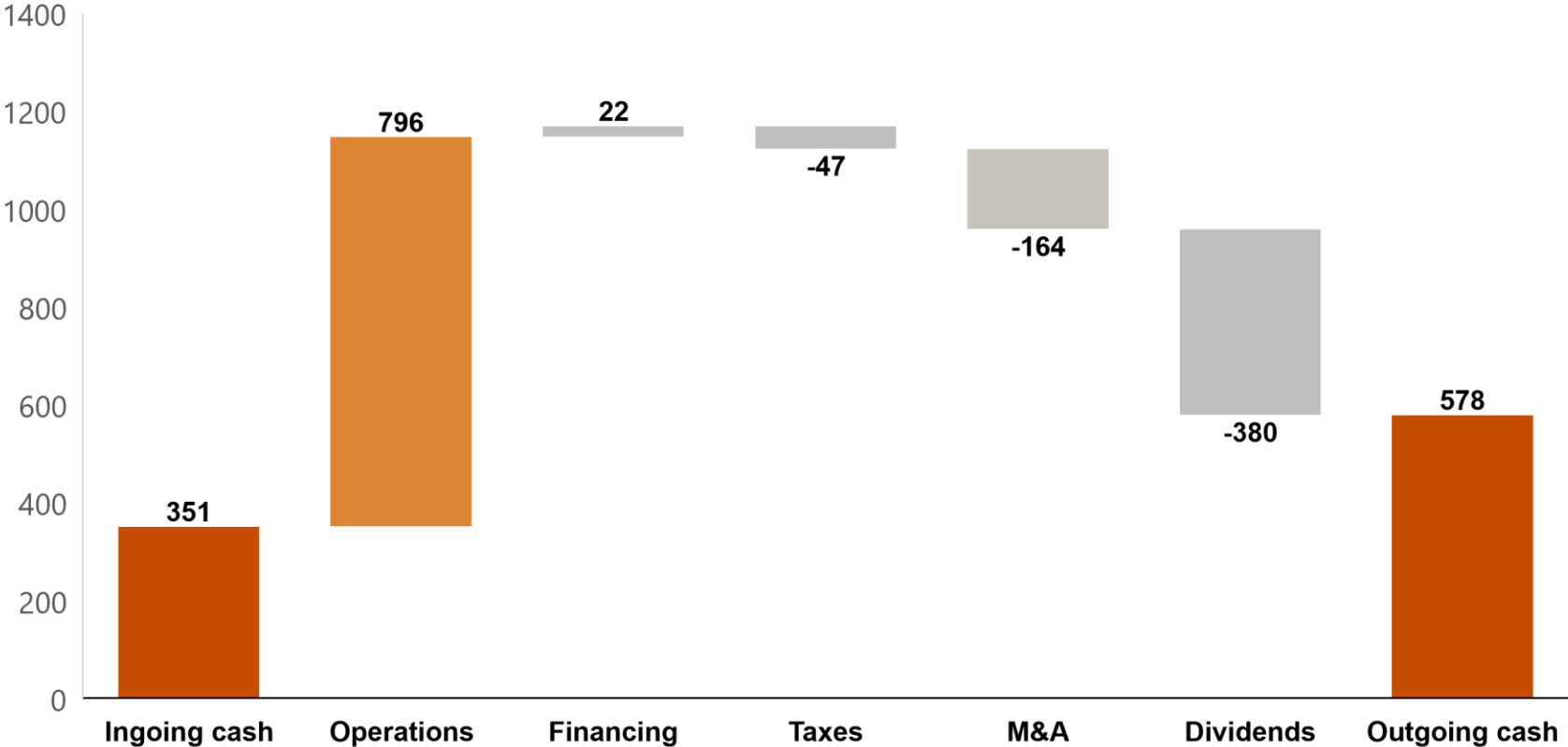
- Negative growth from contract closures in Q4 and termination of contracts with very low margins
- Reductions in SG&A and termination of contracts with very low margins contributes to margin improvement

Profit & Loss Statement

P&L (SEK m)	Q1			LTM	FY
	2020	2019	Chg.	Q1	2019
Net sales	2 541	2 535	6	10 319	10 313
Adjusted EBITA	122	131	-9	541	549
<i>Adjusted EBITA margin</i>	<i>4,8%</i>	<i>5,2%</i>	<i>-0,4%</i>	<i>5,2%</i>	<i>5,3%</i>
EBIT	61	77	-16	283	299
Financial net	-17	-21	4	-67	-71
Income tax expense	-13	-13	0	-59	-59
Net income	31	43	-12	157	169
Add-back amortization	49	45	4	189	186
Adjusted Net income	80	88	-8	347	355

Cash Flow

CASH FLOW LTM Q1 2020



Cash flow

(SEKm)	Q1			LTM	FY
	2020	2019	Chg.	Q1	2019
Adjusted EBITDA	173	177	-5	744	749
Capex	-28	-13	-15	-83	-68
Changes in working capital	86	-1	87	188	101
Adjusted operating cash flow	231	164	67	848	781
Cash conversion (%)	134%	92%	41%	114%	104%
Other operating items	-46	-50	5	-164	-169
Cash flow from operations	185	114	71	684	613
Cash flow from investments	-12	0	-12	-164	-152
Cash flow from financing	-82	-220	138	-277	-415
Total cash flow	91	-106	197	243	46
<i>Total cash flow excl. dividend</i>	91	-106	197	623	426

Balance Sheet

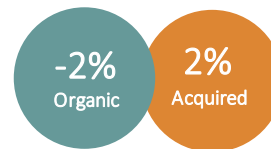
(SEK m)	Mar 31		Dec 31
	2020	2019	2019
Net Working Capital	-852	-652	-774
<i>NWC, % of NS (LTM)</i>	<i>-8,3%</i>	<i>-6,6%</i>	<i>-7,5%</i>
<i>Equity/Assets Ratio</i>	<i>30%</i>	<i>34%</i>	<i>29%</i>
Cash	578	351	497
Net debt	1 589	1 535	1 741
<i>Leverage</i>	<i>2,1x</i>	<i>2,2x</i>	<i>2,3x</i>

COOR'S FINANCING

- RCF of 1 500 MSEK, unutilized credit facility corresponds to approximately SEK 750 million. Duration, including options, until 2024. Leverage covenant at 3.75x
- Senior unsecured bonds in the total amount of 1 000 MSEK with a duration of 5 years from March 2019

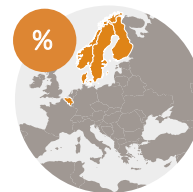
Growth

-2% Organic
2% Acquired
3% LTM total



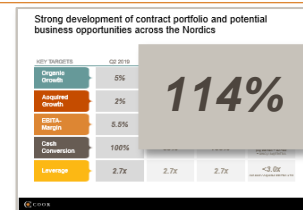
EBITA margin

4.8% in Q1
5.2% LTM



Cash conversion

114% LTM



Opportunities

2020 characterized by covid-19 but interesting opportunities in a longer perspective





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