



Q3 Report

July – September 2021

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November 9, 2021



Introduction and Coor's triple bottom line

Business and market update

Financial performance

Sum-up and Q&A

AGENDA

Coor is the Nordic market leader in Integrated facility management...

... with a clear ambition of becoming truly sustainable

- Customer centric business model and decentralized organization
- Broad service offering within workplace services, property services and strategic advisory services
- Leading innovation capability and position – **SERVICE** with **IQ**
- Truly Sustainable from a triple-bottom-line perspective:



Business



Social



Environmental



A well balanced portfolio

TOTAL **9.7** SEKbn

Turnover by country



- Sweden 50%
- Norway 23%
- Denmark 20%
- Finland 7%

Turnover by contract type



- IFM 59%
- Single services 41%

Turnover by service








- Cleaning 38%
- Property 31%
- Workplace 19%
- Food & Beverage 8%
- Other 4%

Turnover by customer segment









- Public 28%
- Manufacturing 22%
- Oil & Gas 18%
- IT & Telecom 10%
- Real estate & Construction 8%
- Other 14%

Value-adding acquisitions, organic growth and strong earnings

Financial targets	Q3 2021	Q3 2020	LTM	Mid-long term
 Organic Growth	5%	-7%	-1%	4-5% Organic net sales growth over a business cycle
 Acquired Growth	1%	2%	1%	n/a
 Adj. EBITA-Margin	6.2%	6.1%	6.3%	~5.5% Adj. EBITA margin
 Cash Conversion ¹	94%	123%	94%	>90% (Adj. EBITDA – CAPEX – ΔWC) / Adj. EBITDA
 Leverage ¹	1.6x	1.8x	1.6x	<3.0x Net debt / Adj. EBITDA LTM

¹LTM

Highly satisfied employees and customers

Sustainability targets	Q3 2021	Q3 2020	Mid-long term
 Customer Satisfaction ¹	74	70	≥70
 Engaged and motivated employees ¹	78	78	≥70
 TRIF ² Total Recordable Injury Frequency	9.0	10.1	≤3.5 Total number of accidents x 1,000,000/number of hours worked
 Equal opportunities (female/male mgrs. %)	49/51	50/50	50/50
 Reduce green house gases – Scope 1 ²	0.33³ (3 143)⁴	0.30³ (3 017)⁴	-50% Sum of Scope 1 and 2 in global framework Green House Gas protocol
 Reduce green house gases – Scope 2 ^{2, 5}	0.07³ (637)⁴	0.08³ (873)⁴	-50% Sum of Scope 1 and 2 in global framework Green House Gas protocol

¹ Survey conducted once a year, in Q2 2021 and Q3 2020

⁴ tCO2e

² LTM

⁵ Measured at year end

³ tCO2e/MSEK



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Business highlights and significant events

Q3 2021

Selection of important wins and prolongations

- Won prestige F&B-contract (SW, authority), Seco Tools (SW cleaning) and Evidensia (FI cleaning)
- Prolonged IFM contract with Aibel in Norway, cleaning contracts with Fredensborg Municipality in Denmark and BAE in Sweden as well as cleaning and property contract with SSAB in Finland
- Acquisition of Veolia Technical Management in Sweden

Increased focus on sustainability and innovation

- Gold rating awarded by EcoVadis
- Food (R)evolution: The Coor canteen as a laboratory for research on sustainable food and eating habits
- Increased focus on Coor advisory

Growth opportunities ahead

- Strong pipeline with large case coming up for decision in the near future
- Continued strong focus on M&A – signing Inspira on the 8th of Nov. Expected to be completed late 2021



Food (R)evolution



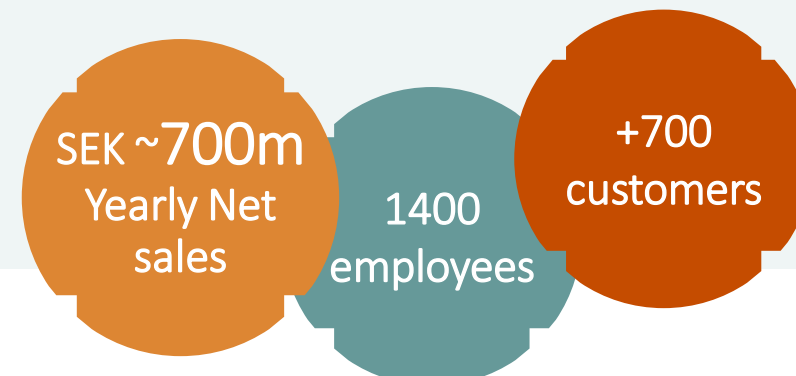
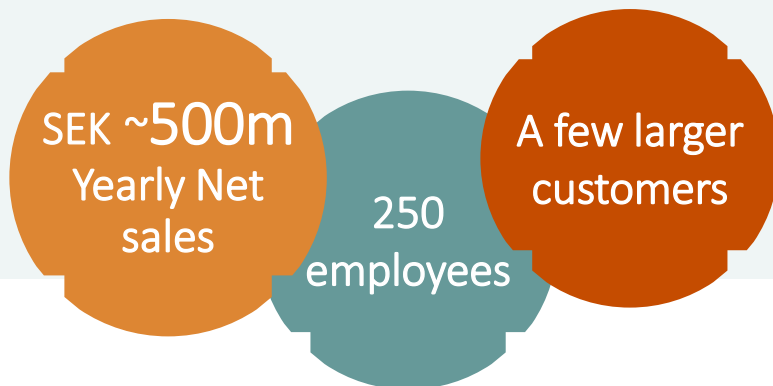
Two value adding acquisitions, adding both scale and competence



- Acquisition completed end of Sep 30th (in the Coor P&L from Oct 1st)
- Technical Property Services in Sweden
- Sharp focus on sustainability, high levels of technical expertise, often in critical production and infrastructure plants



- Signed Nov 8th
- Workplace service, mainly cleaning incl. staffing solutions in mid Sweden
- Combination of large and small customers





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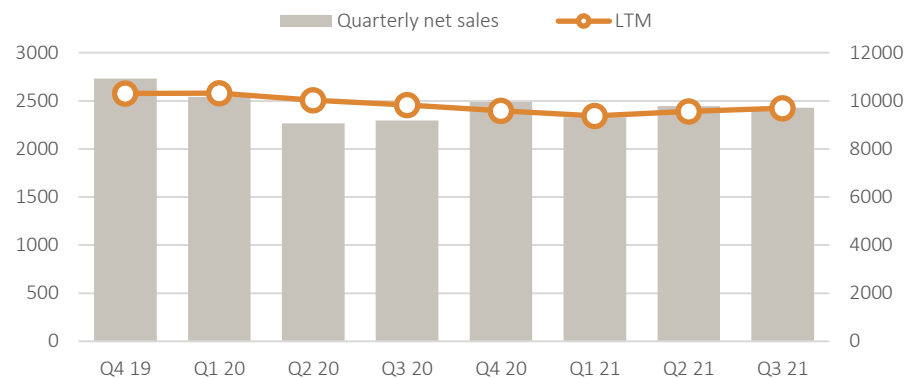
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Sales and Adj. EBITA development

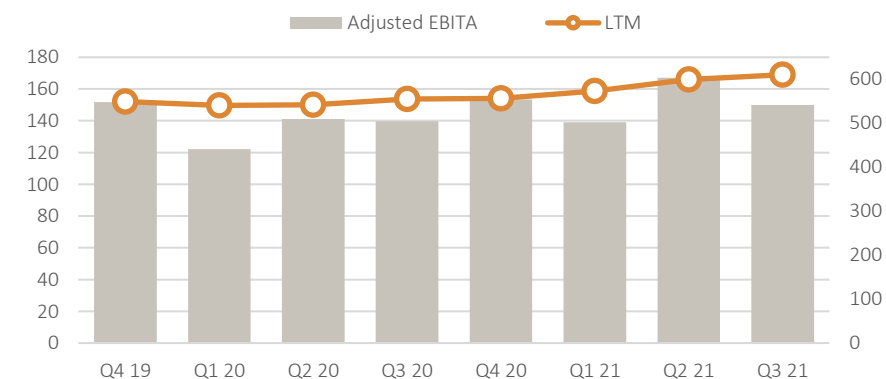
Profit & Loss

	Q3			LTM	Full-year
	2021	2020	Chg.	Q3	2020
Net sales	2 428	2 297	131	9 691	9 591
Adj. EBITA	150	140	11	610	556
Adj. EBITA margin	6,2%	6,1%	0,1%	6,3%	5,8%
EBIT	105	89	16	390	318
Financial net	-16	-15	-2	-61	-66
Income tax expense	-19	-16	-3	-76	-61
Net income	69	58	11	252	191
Add-back amortization	44	48	-4	186	193
Adj.Net income	113	106	7	439	384

Net Sales Development, SEKm



Adj. EBITA Development, SEKm



Country by country

SWEDEN

Share of Net Sales

50%

- Organic growth through new PostNord contract and expanded volumes at Karolinska Hospital, offsetting the lower volumes from less extensive maintenance stoppage at OKG
- Margin improvement from strong cost control and positive effects from the new and expanded contracts

	Q3	
	2021	2020
Organic Growth	1%	-9%
Acquired Growth	0%	5%
Adj. EBITA margin	10.2%	9.1%

NORWAY

Share of Net Sales

23%

- High level of variable volumes from maintenance stoppages in the Oil & Gas industry
- Positive volume and profitability contribution from the acquisition of R&K
- Margin improvement from strong cost control, improved margins on variable volumes related to maintenance projects

	Q3	
	2021	2020
Organic Growth	16%	-13%
Acquired Growth	4%	0%
Adj. EBITA margin	7.1%	6.6%

DENMARK

Share of Net Sales

20%

- Positive organic growth from new contracts, mainly PostNord, and a somewhat higher level of property related projects
- Negative impact on variable volume driven by less COVID-19 cleaning in public contracts
- Positive margin and profit improvement from new business and continued cost focus

	Q3	
	2021	2020
Organic Growth	6%	3%
Acquired Growth	0%	0%
Adj. EBITA margin	4.6%	4.4%

FINLAND

Share of Net Sales

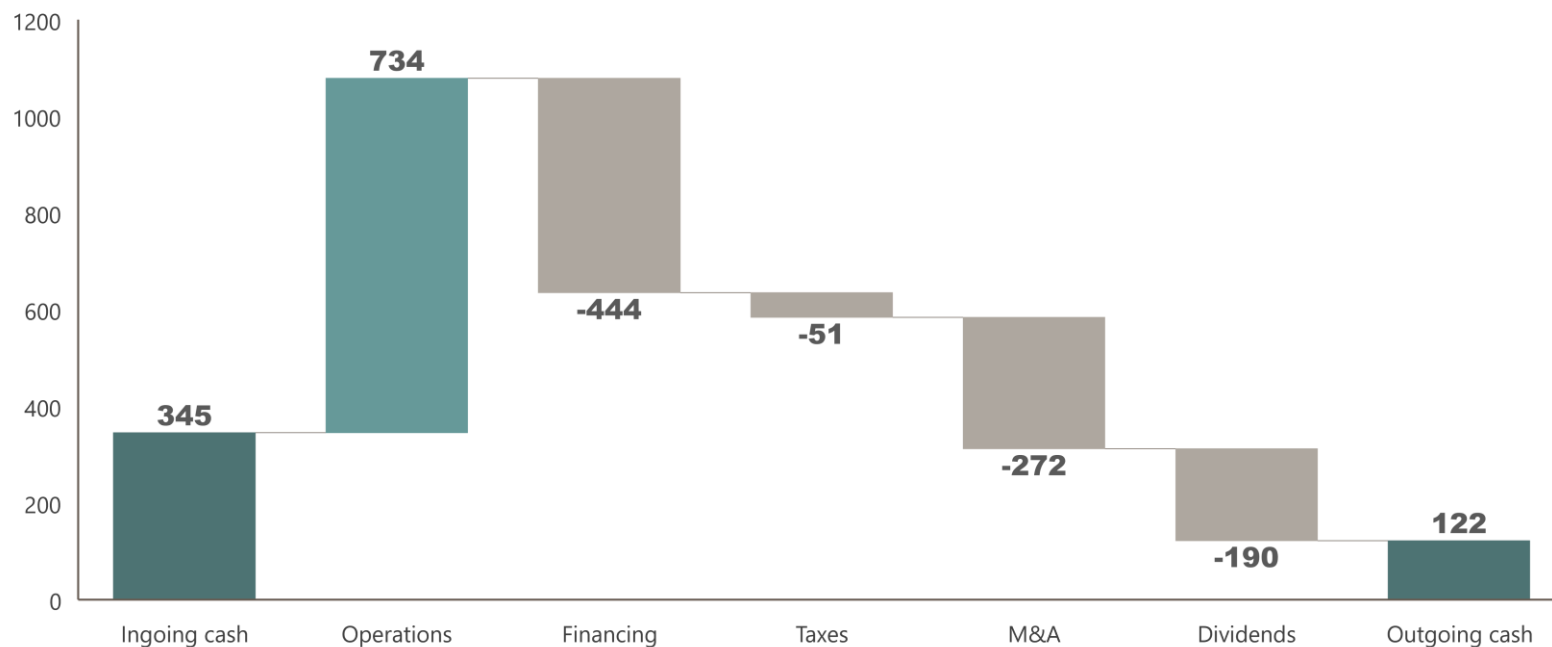
7%

- Volumes on par with the level from Q3 LY
- Margin and profit decreased slightly compared to the very high level in Q3 LY, mainly driven by a somewhat higher need of summer temps in the operations

	Q3	
	2021	2020
Organic Growth	0%	-3%
Acquired Growth	0%	0%
Adj. EBITA margin	8.2%	8.9%

Cash Flow LTM

SEKm



- Continued strong contribution from operations
- Financing – mainly related to reduced utilization of RCF and leasing
- M&A – includes R&K in Norway and Veolia Technical Management in Sweden
- Ordinary dividend payment of 2,00 SEK/share in May (190 MSEK). Extra ordinary dividend payment of 2,40 SEK/share on October 7



Cash conversion & selected balance sheet details

Cash conversion

(SEKm)

	Q3 2021	2020	LTM Q3	Full-year 2020
Adj. EBITDA	199	189	807	756
Capex	-18	-11	-64	-70
Change in working capital	133	125	16	133
Adj. operating cash flow	314	303	758	818
Cash conversion (%)	158%	160%	94%	108%

Balance Sheet KPIs

(SEKm)

	30 Sep 2021	2020	31 Dec 2021
Net Working Capital	-812	-828	-881
<i>NWC, % of NS (LTM)</i>	-8.4%	-8.4%	-9.2%
<i>Equity/Assets Ratio</i>	35%	33%	34%
Cash	122	345	396
Net debt	1 322	1 372	1 207
<i>Leverage</i>	1.6x	1.8x	1.6x

Coor's financing

- RCF of 1 500 SEKm, unutilized credit facility corresponds to approximately 1 350 SEKm. Duration, including options, until 2024. Leverage covenant limit at 3.75x
- Senior unsecured bonds in the total amount of 1 000 SEKm, duration of 5 years from March 2019



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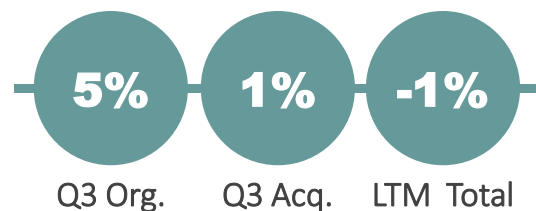
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Continued organic growth and high earnings level with room for additional acquisitions

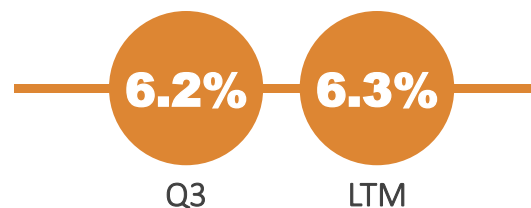
Growth

“New contracts across the Nordics and high variable volumes in Norway”



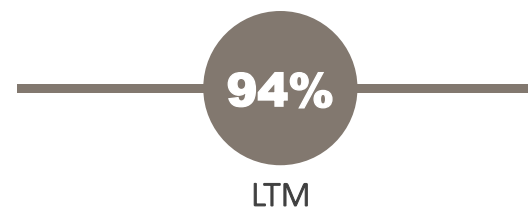
EBITA margin

“Margin improvements in Sweden, Norway and Denmark”



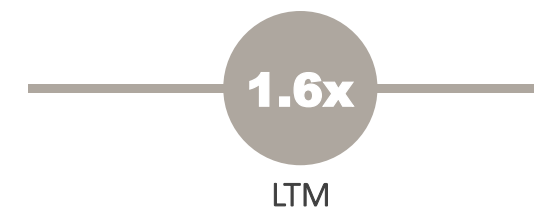
Cash conversion

“Strong cash flow focus across the organization”



Leverage

“Capacity for M&A even after recent acquisitions”



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.

