



Q2 Report April-June 2020

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July 17, 2020

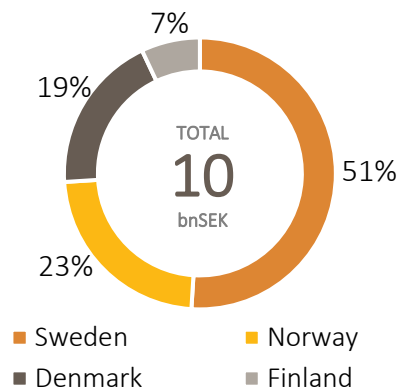


Coor is the Nordic market leader in IFM

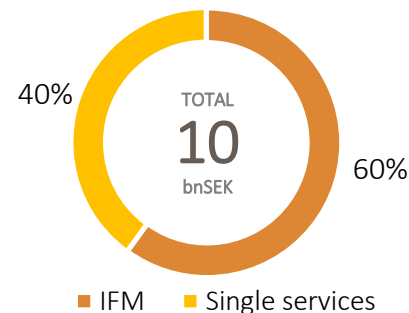
- Tailored customer proposition - **SERVICE** *with IQ*
- Coor aims to create the happiest, healthiest and most prosperous workplace environment in the Nordic Region
- Broad service offering within workplace services, property services and strategic advisory services



TURNOVER BY COUNTRY



TURNOVER BY CONTRACT TYPE



Covid-19, Q2 summary

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

- As of Q2, covid-19 is fully managed in line organization
 - Country organizations crisis teams and Coor Group crisis team mobilized in February, but full responsibility handed over to line organization during Q2
- Coor's service deliveries contribute to maintaining critical functions in our community
 - Important deliveries to e.g. healthcare, infrastructure and law enforcement.
- Variable volumes
 - Negative impact on variable volumes, mainly F&B
 - Increased volumes from additional cleaning
- 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
 - Furloughs affect 13% of all employees as of June 30
 - Reduction of sub-contractors, purchased goods and other internal costs.
- Strong focus on cash-flow
 - Detailed follow-up on customer payments. Corporate customer payment pattern unchanged while cash payments (consumers) in restaurants is negatively impacted
 - Reduction of Capex in Q2
- Strengthened balance sheet
 - The AGM resolved on April 28 not to distribute any dividend
 - Reduction of Net Debt by reducing the utilization of the RCF. As of June 30, Coor has unutilized credit lines of 1 050 MSEK.

Coor's customer-centric business model has once again stood strong through turbulent times

KEY TARGETS	Q2 2020	Q2 2019	LTM	MID-LONG TERM
Organic Growth	-11%	5%	-2%	4-5% <i>Organic net sales growth over a business cycle</i>
Acquired Growth	2%	2%	2%	N/A
EBITA-Margin	6.2%	5.5%	5.4%	~5.5% <i>Adjusted EBITA margin</i>
Cash Conversion	107%	100%	107%	>90% <i>(Adj EBITDA – CAPEX – ΔWC) / Adj EBITDA</i>
Leverage	2.2x	2.7x	2.2x	<3.0x <i>Net debt / Adjusted EBITDA LTM</i>

BUSINESS HIGHLIGHTS Q2

- Covid-19, covered on page 3

- Strong focus on the large integrations, cost reductions and efficiency
 - Norrlands Miljövård (Sweden)
 - Danish Police, the Prison and Probation Service and the Public Prosecution Agency (Denmark)
 - ICA (Sweden)
 - OP group (Finland)
 - Cost reduction and efficiency focus across the organization

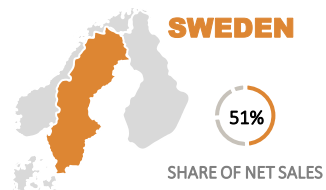
- Continued market activity with important prolongations
 - Large IFM: Telia (~100 MSEK/year for 5 years)
 - SME: Ellevio, Coop, Västra Götaland Region (new cleaning contract)

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



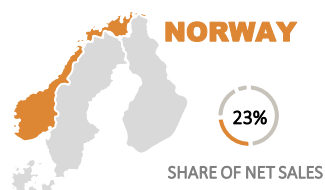
SERVICE *with* IQ

Country by country



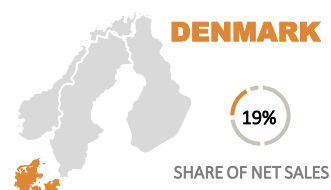
	Q2 20	Q2 19
Organic Growth	-12%	6%
Acquired Growth	5%	0%
EBITA Margin	10.2%	9.4%

- Negative impact on variable volume due to covid-19, mainly within F&B
- Positive volume impact from new business, e.g. ICA, the acquisition of Norrlands Miljövärd and increased demand for cleaning, especially in public sector
- Margin and profit improvement from cost reductions, efficiencies and successful integration of Norrlands Miljövärd, despite negative volume impact from covid-19



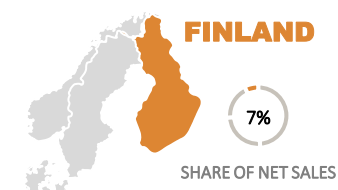
	Q2 20	Q2 19
Organic Growth	-17%	4%
Acquired Growth	0%	7%
EBITA Margin	5.5%	6.5%

- Negative impact on variable volume due to covid-19, mainly within F&B
- A general restraint from Oil & Gas industry also impacted the variable volumes in a negative way
- Margin decline mainly driven by covid-19 in combination with the general restraint from Oil & Gas industry



	Q2 20	Q2 19
Organic Growth	-1%	3%
Acquired Growth	0%	0%
EBITA Margin	6.2%	3.5%

- Negative impact on variable volume due to covid-19, mainly within F&B
- Positive volume effect from the prolonged and extended contract with Danish Police, the Prison and Probation Service and the Public Prosecution Agency (PKA). Increased demand for cleaning especially in public sector
- Margin and profit improvement from cost reductions, efficiencies and successful integration of PKA, despite negative volume impact from covid-19

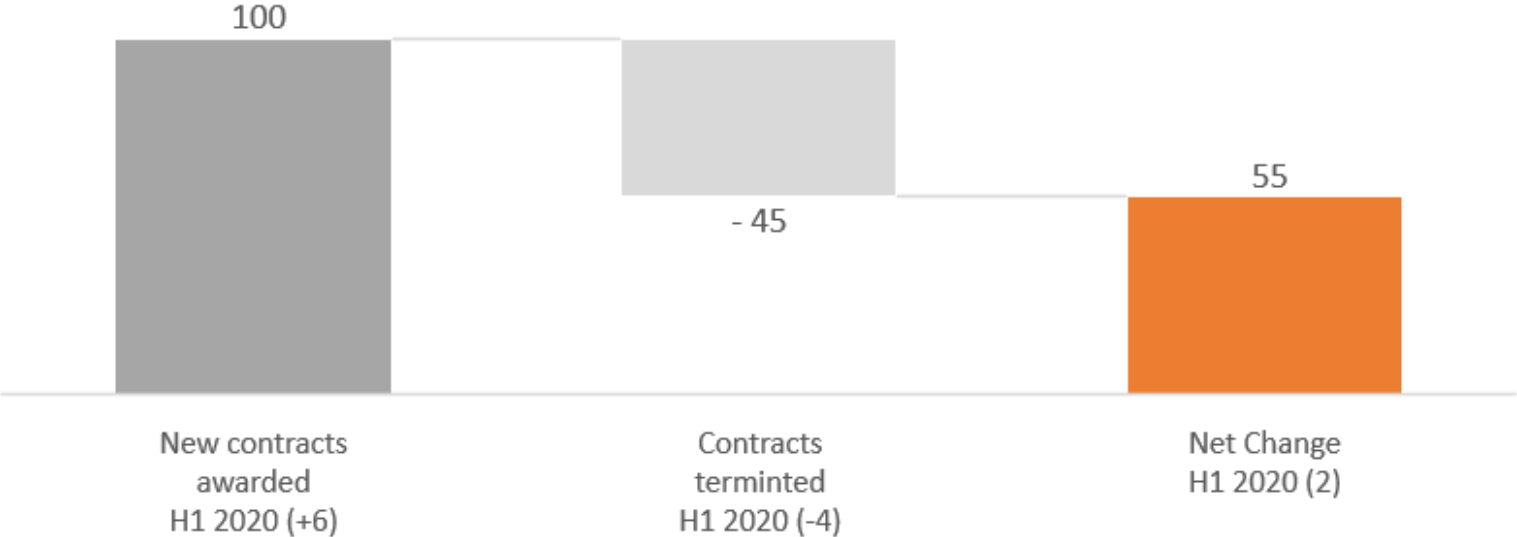


	Q2 20	Q2 19
Organic Growth	-15%	8%
Acquired Growth	0%	0%
EBITA Margin	3.0%	0.7%

- Negative growth from contract closures in Q4 and termination of contracts with very low margins
- Negative impact from covid-19 partly offset by new business, OP Group
- Cost reductions, efficiencies and termination of contracts with very low margins contributes to margin improvement

Contract Portfolio Development

H1 2020 CONTRACT PORTFOLIO CHANGES

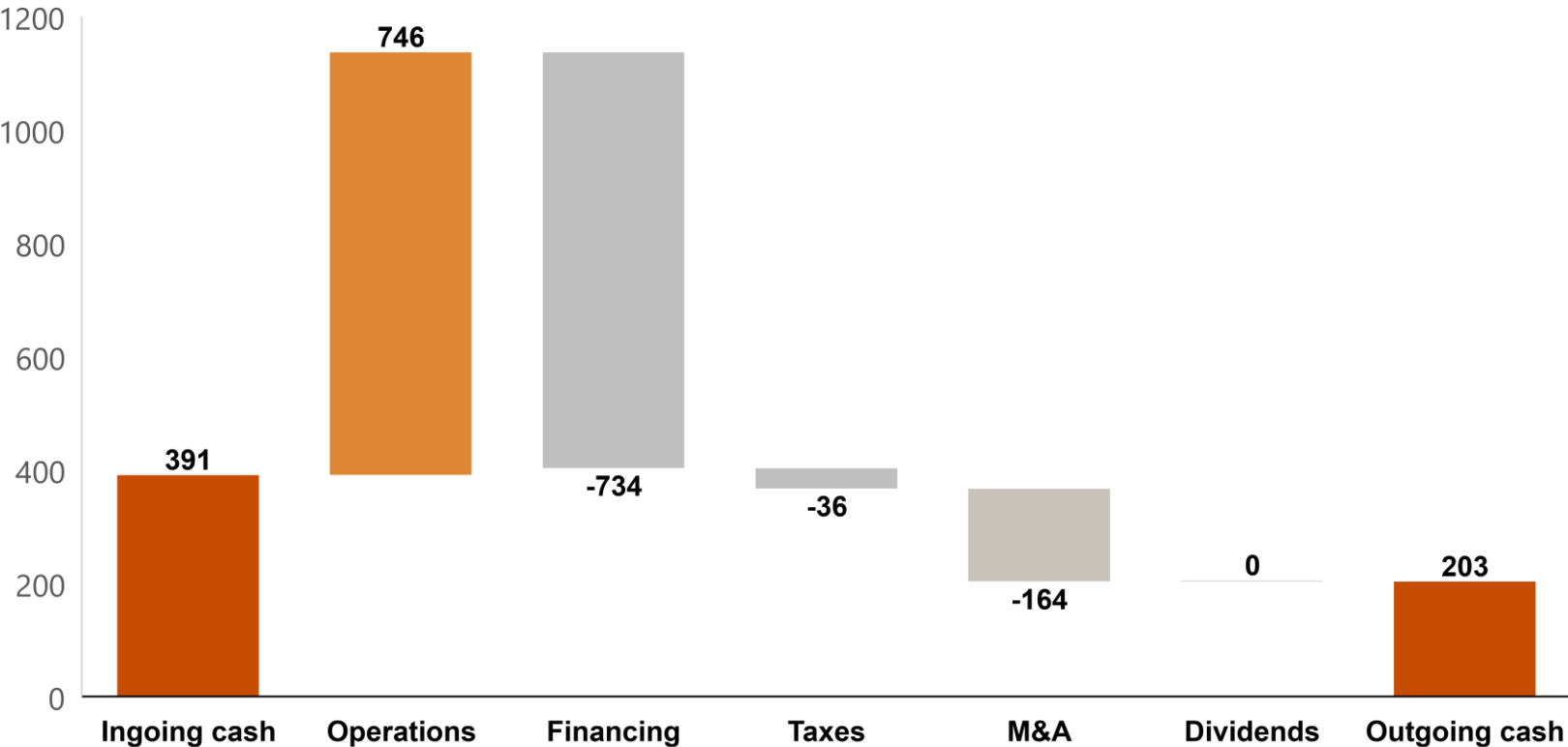


Profit & Loss Statement

P&L (SEK m)	Q2			YTD			LTM	FY
	2020	2019	Chg.	2020	2019	Chg.	Q2	2019
Net sales	2 265	2 556	-291	4 806	5 091	-285	10 028	10 313
Adjusted EBITA	141	140	2	263	271	-7	542	549
<i>Adjusted EBITA margin</i>	<i>6,2%</i>	<i>5,5%</i>	<i>0,8%</i>	<i>5,5%</i>	<i>5,3%</i>	<i>0,2%</i>	<i>5,4%</i>	<i>5,3%</i>
EBIT	86	78	8	147	154	-8	291	299
Financial net	-16	-16	0	-34	-38	4	-67	-71
Income tax expense	-17	-17	0	-30	-30	0	-59	-59
Net income	52	44	8	83	87	-4	165	169
Add-back amortization	48	46	3	97	91	6	192	186
Adjusted Net income	100	90	10	180	178	2	357	355

Cash Flow

CASH FLOW LTM Q2 2020



Cash flow

(SEKm)	Q2			LTM	FY	
	2020	2019	Chg.	Q2	2019	Chg.
Adjusted EBITDA	189	187	2	746	749	-3
Capex	-16	-21	5	-78	-68	-10
Changes in working capital	-140	-82	-58	130	101	29
Adjusted operating cash flow	33	84	-51	797	781	16
Cash conversion (%)	17%	45%	-27%	107%	104%	3%
Other operating items	-31	-45	13	-151	-169	18
Cash flow from operations	2	39	-37	647	613	34
Cash flow from investments	0	0	0	-164	-152	-12
Cash flow from financing	-349	-9	-340	-618	-415	-203
Total cash flow	-347	30	-378	-135	46	-181
<i>Total cash flow excl. dividend</i>	<i>-347</i>	<i>411</i>	<i>-758</i>	<i>-135</i>	<i>426</i>	<i>-561</i>

Balance Sheet

	Jun 30		Dec 31
(SEK m)	2020	2019	2019
Net Working Capital	-703	-574	-774
<i>NWC, % of NS (LTM)</i>	<i>-7,0%</i>	<i>-5,7%</i>	<i>-7,5%</i>
<i>Equity/Assets Ratio</i>	<i>33%</i>	<i>29%</i>	<i>29%</i>
Cash	203	391	497
Net debt	1 621	1 891	1 741
<i>Leverage</i>	<i>2,2x</i>	<i>2,7x</i>	<i>2,3x</i>

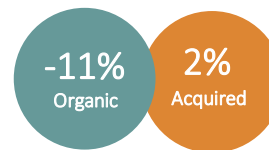
COOR'S FINANCING

- RCF of 1 500 MSEK, unutilized credit facility corresponds to approximately 1 050 MSEK. 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

Summary Q2

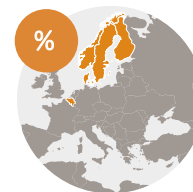
Growth

-11% Organic
2% Acquired
0% LTM total



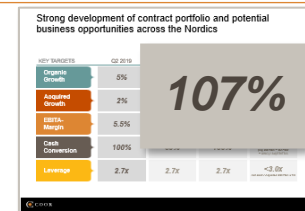
EBITA margin

6.2% in Q2
5.4% LTM



Cash conversion

107% LTM



Opportunities

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





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