

RECEPTION

KONFERENS



Interim report

Q2 2024

July 12, 2024



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Coor is the leading FM provider in the Nordics

... with a clear ambition of becoming truly sustainable



Business

- Stable financial development
- High customer satisfaction



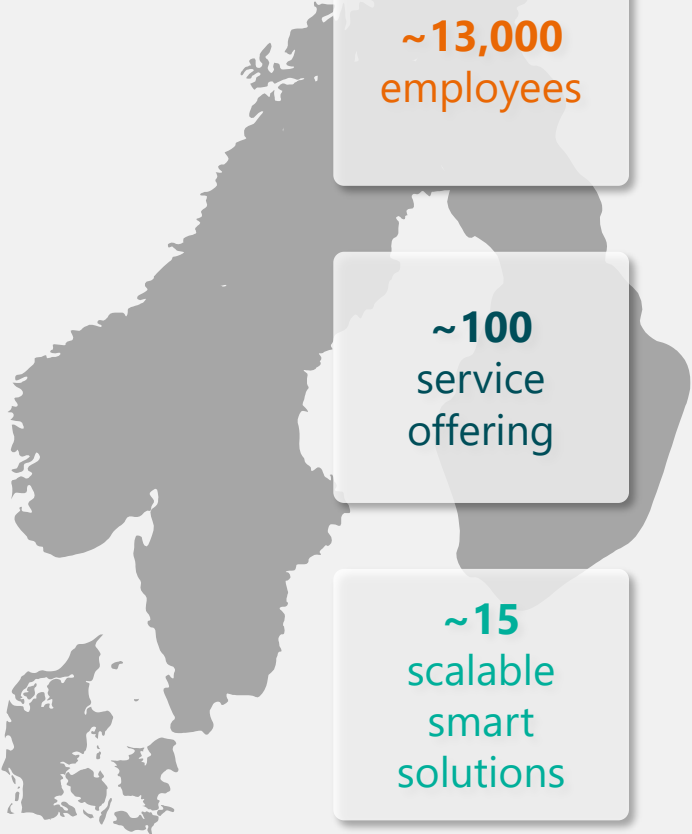
Social

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



Environmental

- Responsible consumption
- Net Zero 2040



- ~13,000 employees
- ~100 service offering
- ~15 scalable smart solutions

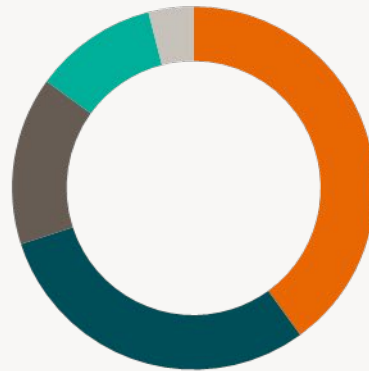
Net Sales segmentation

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 22%
- Energy 15%
- Real estate & Construction 10%
- IT & Telecom 6%
- Other 15%

Net Sales
(LTM)
12.6
bnSEK

Agenda

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

Key highlights

- Successful prolongations
 - 18 months prolongation of IFM contract with the **Danish Police**
 - Contracts prolonged with **Attendo, SSAB** in Finland, **Vasakronan** in Sweden, **Storebrand** and **Ringnes** in Norway and **Falck** in Denmark
 - Strong retention rate, **94%** H1 2024
- Extended partnership with **ICA** in Sweden with a new nationwide Food & Beverage contract
- Strengthened position in small and midsize segment with several new wins
- Carbon Insight launched
- Integration of acquired **Skarborgs Stöd** finalized
- Activities in the action program towards long-term margin target according to plan. Takes longer time to realize financial effects but confident to achieve full effect towards end of the year
- Continued growth opportunities in the Nordic market with organic growth as priority



Exploring technological trends

- in buildings and facility management

- Third report in our "Join the Workplace Revolution" series describing trending technology in property and facility management
- New technology is shaping the future of FM
- Coor's key takeaways
 - AI is coming
 - Confidence in experimentation
 - Reactive to predictive
 - Reviving in-office working
- Coor well ahead of this development and already works with innovative solutions creating great value



Join the
**WORKPLACE
REVOLUTION**

First half of the year with successful contract extensions



Business responsibility

	Q2 2024	Q2 2023	LTM	Mid-long term target
Organic growth	-1%	2%	2%	4-5% Organic net sales growth over a business cycle
Acquired growth	1%	2%	3%	n/a
Adj. EBITA margin	5,1%	5,1%	4,9%	~5,5% Adj. EBITA margin
Cash conversion¹⁾	92%	90%		>90% (Adj. EBITDA – CAPEX – ΔWC) / Adj. EBITDA
Leverage¹⁾	2,7x	2,6x		<3,0x Net debt / Adj. EBITDA LTM
Customer Satisfaction²⁾ Customer satisfaction index (CSI)	-	-	71	≥70

¹ LTM ² Survey conducted once a year

Positive sustainability trends



Social and environmental responsibility

Q2 2024

Q2 2023

Mid-long term target

Engaged and motivated employees¹
Employee motivation index (EMI)

-

76¹

≥ 70

Safe work environment²
Total Recorded Injury Frequency (TRIF)

6.0

6.8

≤ 3.5
Total number of accidents x 1,000,000/
number of hours worked

Equal opportunities
Share female / male managers

53% / 47%

51% / 49%

50% / 50%



Environmental responsibility

Scope 1 & 2 – From our vehicles & premises²
Reduction of green house gases

-14%

2%

-50%
Total CO2e emissions from Scope 1 and 2
compared to baseline in absolute numbers (tCO2e)

Scope 3 - From F&B²
Reduction of green house gases

-17%

-18%

-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 suppliers²
Reduction of green house gases

21%

5%

75%
of suppliers by emissions will be
aligned to Science Based Targets

¹ Survey conducted once a year ² LTM

Agenda

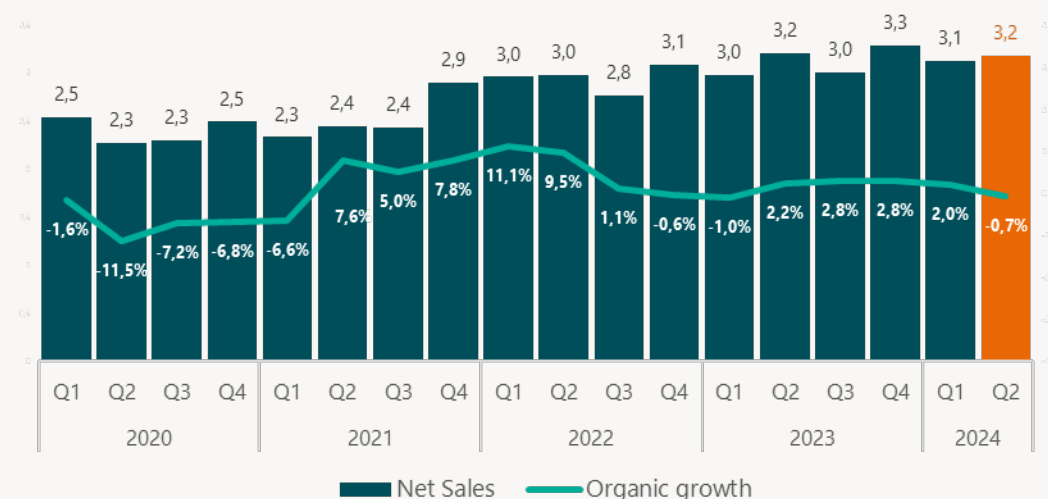
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Sales and Adj. EBITA development

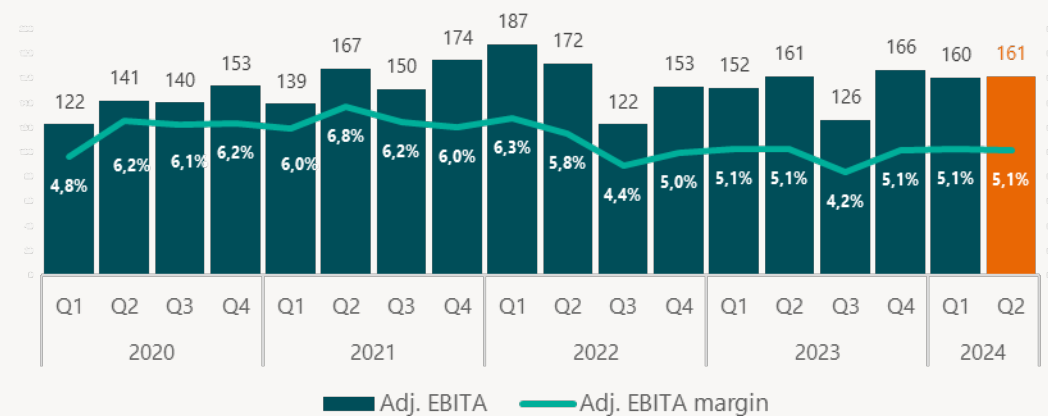
Profit & Loss

	Q2			LTM	
	2024	2023	Chg.	2024	2023
Net sales	3 180	3 162	18	12 607	12 443
Adj. EBITA	161	161	0	613	606
Adj. EBITA margin	5,1%	5,1%	0,0%	4,9%	4,9%
EBIT	131	94	37	420	364
Financial net	-48	-35	-13	-164	-144
Income tax expense	-23	-17	-6	-75	-65
Net income	60	42	19	181	155
Add-back amortization	17	47	-30	90	130
Adj.Net income	77	89	-11	271	285

Net Sales development, bnSEK



Adj. EBITA development, mSEK



By geographic region

SWEDEN Share of Net Sales

53%

- Negative organic growth during the quarter from net negative of new contracts such as Swedbank and the ended contract with Ericsson. Variable volume remains on a high level and well in line with previous year
- EBITA in line with previous year with slightly higher margins
- Positive contribution from new contracts, Skaraborgs städ and effects from action program while the lost contract with Ericsson affects negatively.

	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Organic Growth (%)	3	-1	0	3	-3
Acquired Growth (%)	4	7	6	6	2
EBITA Margin (%)	9,3	7,7	8,8	9,4	9,5

DENMARK Share of Net Sales

23%

- Negative organic growth from a couple of ended mid-sized public contracts and somewhat lower variable volume in the public sector
- Adaptations of the Danish organization that were carried out last year contribute to EBITA
- Ended contracts and lower variable volume in the public sector affects negatively

	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Organic Growth (%)	6	0	1	-4	-4
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	4,5	3,8	5,4	4,9	4,5

NORWAY Share of Net Sales

18%

- Strong organic growth in the quarter from new contracts and variable volumes in the Oil & Gas industry where maintenance activities started earlier in the year compared to previous year
- EBITA and margin positively affected by higher variable volume and favourable occupancy numbers in the offshore delivery compared to previous year
- EBITA and margin negatively affected by a newly started contract that requires greater resources than expected

	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Organic Growth (%)	-4	18	15	8	11
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	3,7	3,3	4,0	3,5	4,6

FINLAND Share of Net Sales

6%

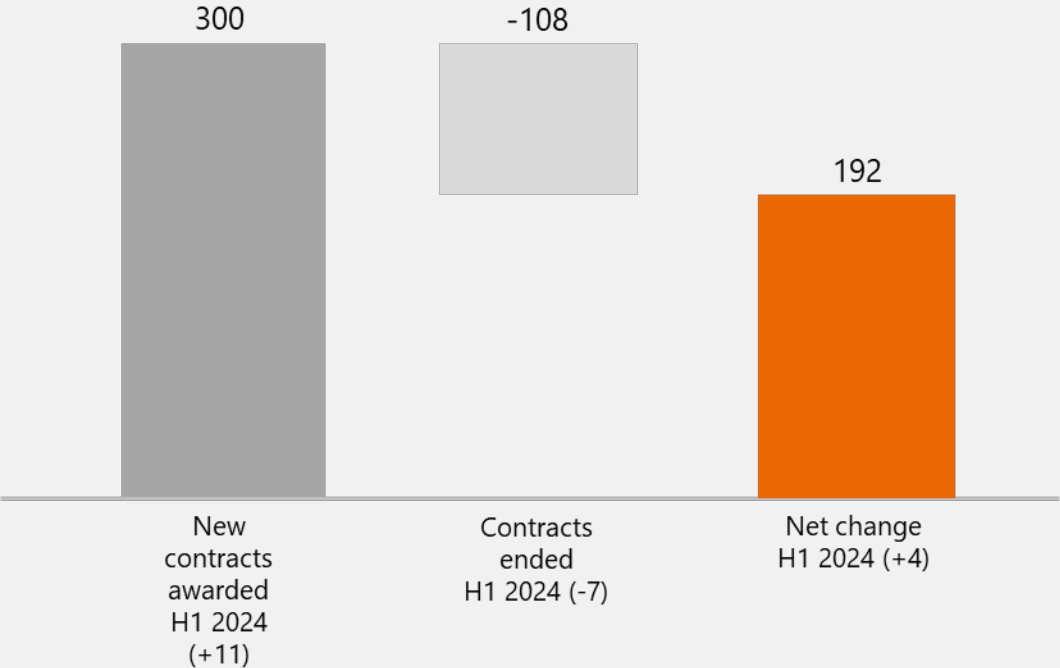
- Flat organic growth where small new contracts balances a couple of discontinued small loss-making contracts in northern Finland
- EBITA and margin slightly improved from implemented efficiency actions and a couple of terminated loss-making contracts that impacted profitability negatively previous year

	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Organic Growth (%)	3	4	4	4	0
Acquired Growth (%)	-	-	-	-	-
EBITA Margin (%)	1,2	5,8	1,2	0,3	1,5

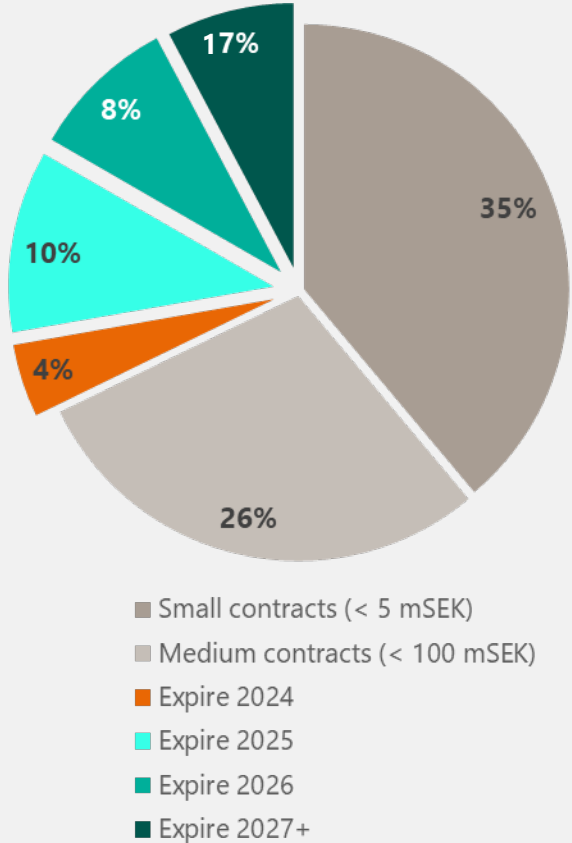
Contract concentration & maturity

2024 Contract portfolio changes¹

SEKm



Large² contract maturity

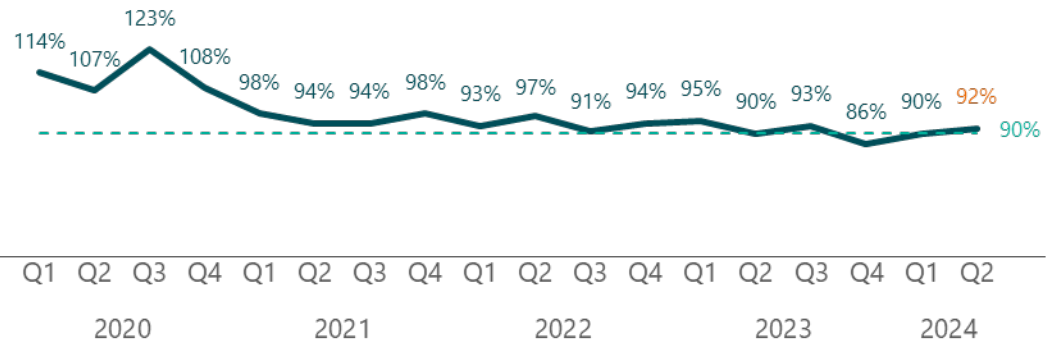


¹ Customer contracts >5 SEKm per year

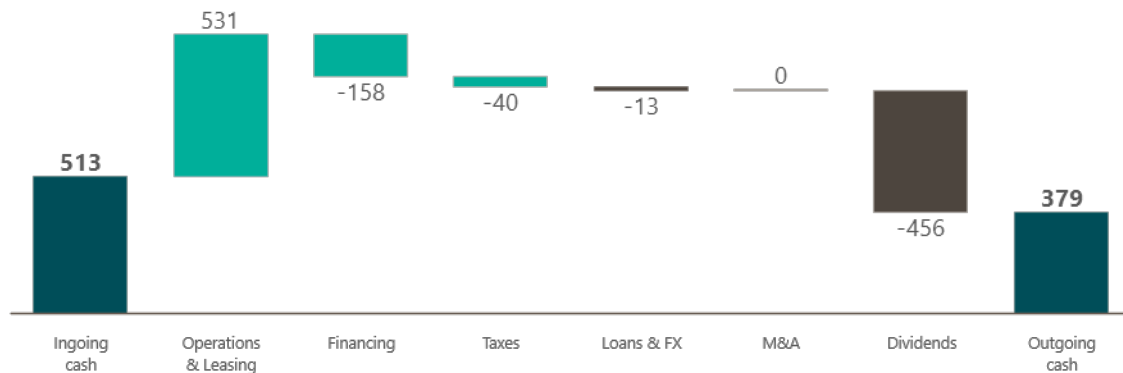
² Customer contracts > 100 SEKm per year

Stable cash conversion

Cash conversion (LTM)

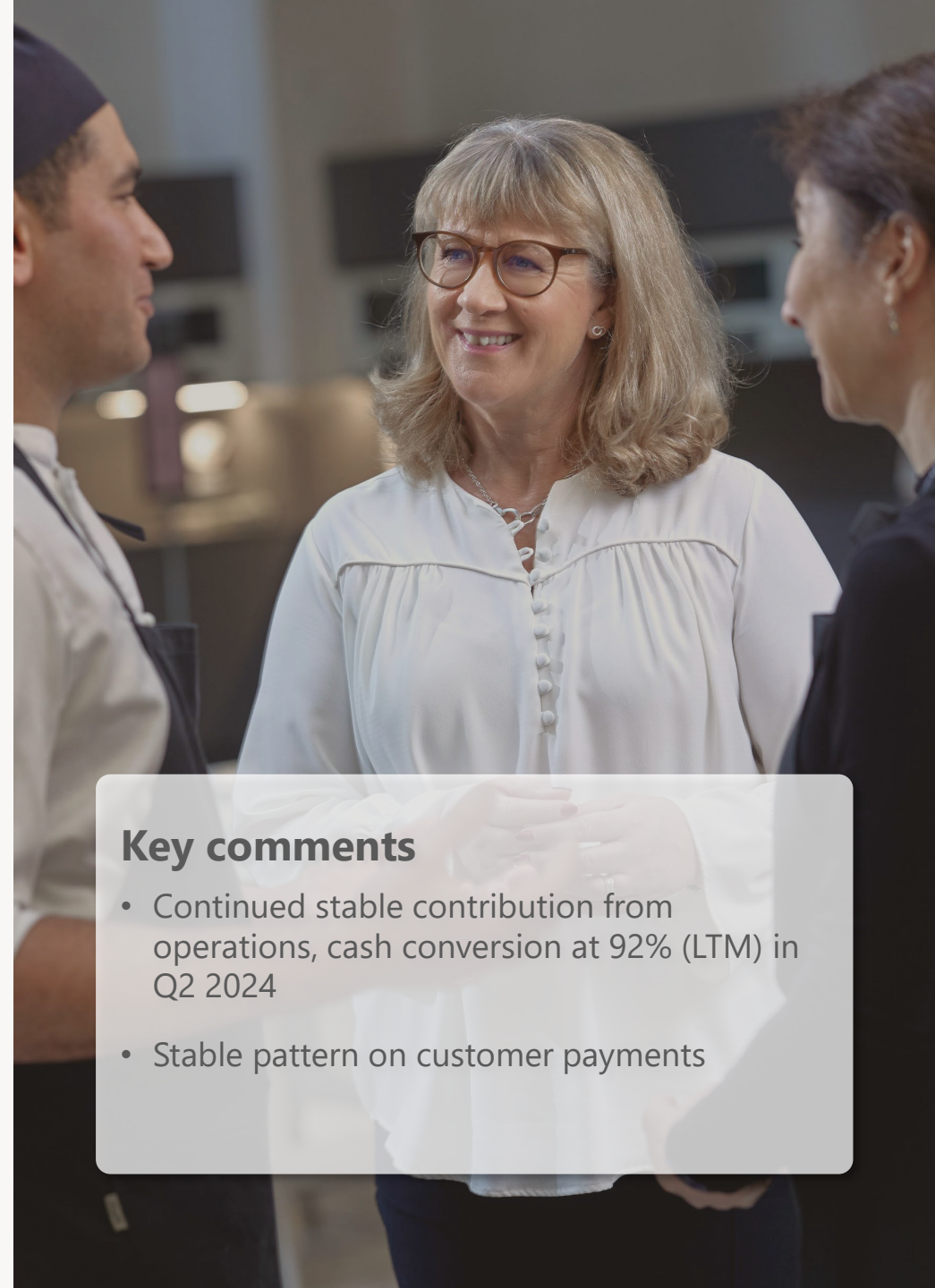


Cash flow (FY), Q2 2024



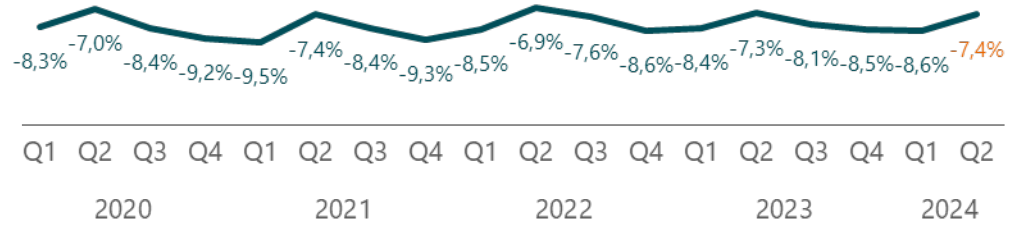
Key comments

- Continued stable contribution from operations, cash conversion at 92% (LTM) in Q2 2024
- Stable pattern on customer payments

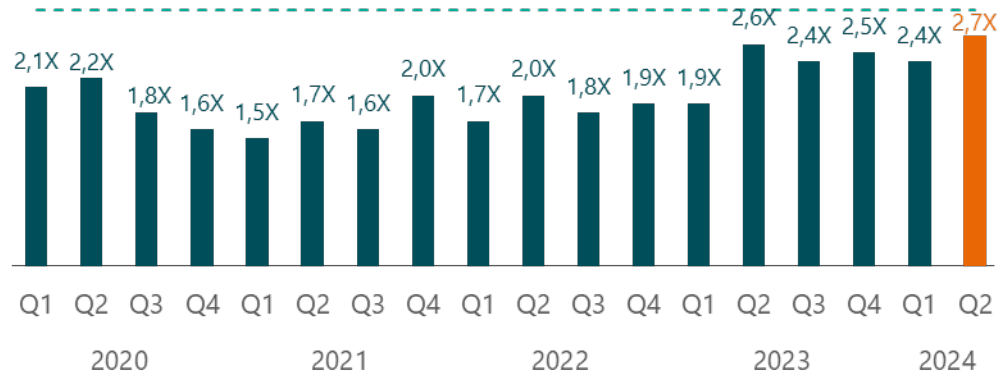


Balance sheet

NWC, % of Net Sales (LTM)

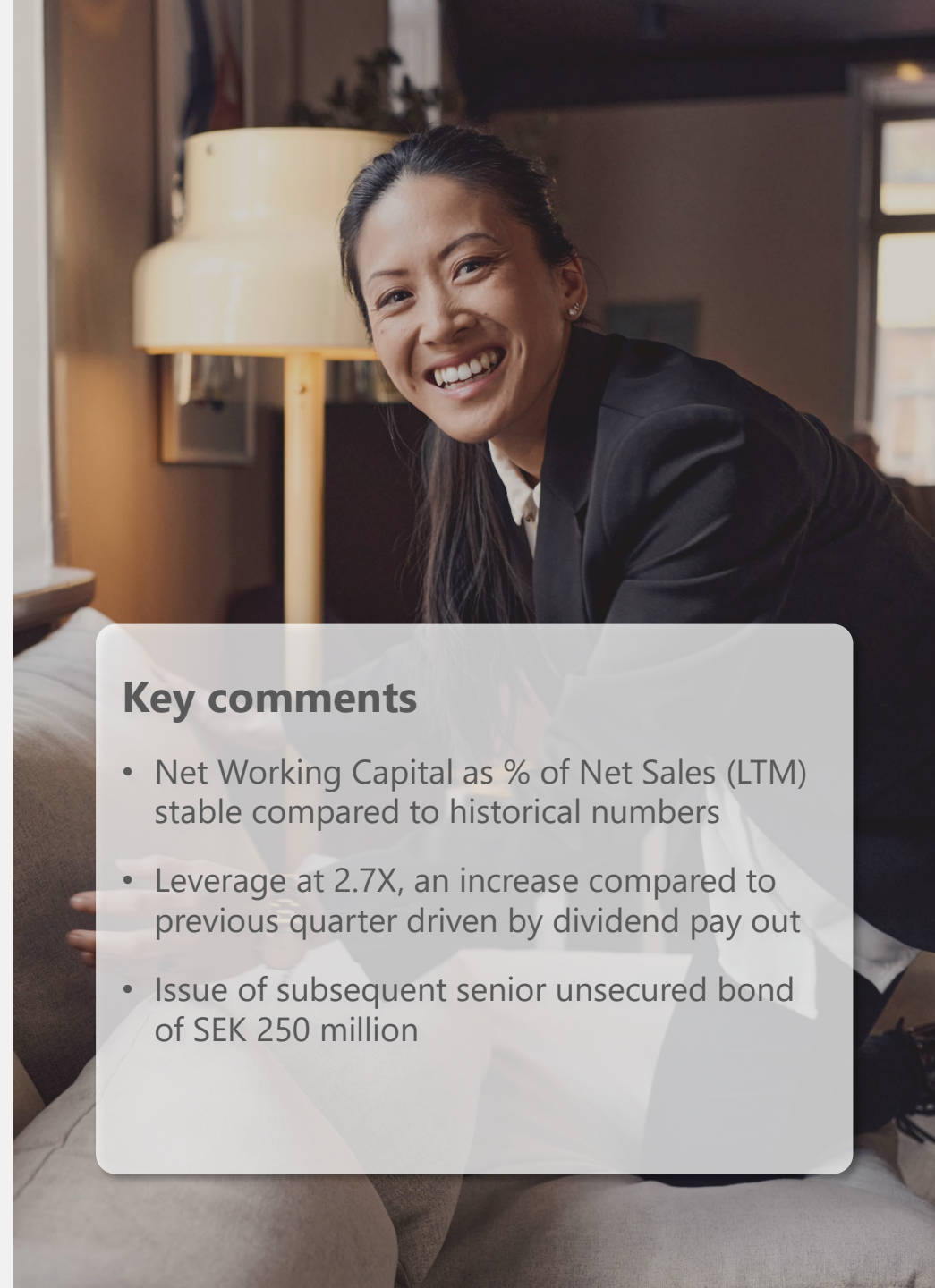


Leverage



Key comments

- Net Working Capital as % of Net Sales (LTM) stable compared to historical numbers
- Leverage at 2.7X, an increase compared to previous quarter driven by dividend pay out
- Issue of subsequent senior unsecured bond of SEK 250 million



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Summary of the second quarter



Business

Several new wins in small and mid-sized segment and expanded relationship with ICA

Continued growth opportunities in the Nordic market



Customer retention

Several successful prolongations in the first half of 2024

Strong retention rate, 94% YTD

Large contract maturities in 2024/2025 significantly reduced



Cash flow

Solid cash flow generation and stable payment patterns

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

