



Q1 Report

January – March 2021

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April 26, 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 **9.4** bnSEK

Turnover by country



- Sweden 51%
- Norway 21%
- Denmark 21%
- Finland 7%

Turnover by contract type



- IFM 58%
- Single services 42%

Turnover by service








- Cleaning 39%
- Property 31%
- Workplace 18%
- Food & Beverage 7%
- Other 5%

Turnover by customer segment








- Public 28%
- Manufacturing 23%
- Oil & Gas 17%
- IT & Telecom 10%
- Real estate & Construction 9%
- Other 13%

Improved earnings and increased focus on sustainability and innovation

Financial targets	Q1 2021	Q1 2020	LTM	Mid-long term
 Organic Growth	-7%	-2%	-8%	4-5% Organic net sales growth over a business cycle
 Acquired Growth	0%	2%	1%	n/a
 Adj. EBITA-Margin	6.0%	4.8%	6.1%	~5.5% Adj. EBITA margin
 Cash Conversion ¹	98%	114%	98%	>90% (Adj. EBITDA – CAPEX – ΔWC) / Adj. EBITDA
 Leverage ¹	1.5x	2.1x	1.5x	<3.0x Net debt / Adj. EBITDA LTM

¹LTM

Improved earnings and increased focus on sustainability and innovation

Sustainability targets	Q1 2021	Q1 2020	Mid-long term
 Customer Satisfaction ¹	70	68	≥70
 Engaged and motivated employees ¹	78	77	≥70
 TRIF ² Total Recordable Injury Frequency	9.8	10.6	≤3.5 Total number of accidents x 1,000,000/number of hours worked
 Equal opportunities (female/male mgrs. %)	50/50	48/52	50/50
 Reduce green house gases	Robust measuring and KPI implementation	Baseline defined	-50% Scope 1 and 2 in global framework Green House Gas protocol

¹ Survey conducted once a year, in Q3 2020 and 2019

² LTM



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Business highlights and significant events

Q1 2021

Selection of important prolongations and wins

- Won PostNord (Nordic IFM-contract), KAB (Denmark F&B), Matkahuolto (Finland, mainly cleaning)
- Prolonged IFM contract with Sandvik Materials Technology in Sweden
- Integration of R&K in Norway according to plan

Increased focus on sustainability and innovation

- Commitment to Science Based Target initiative
- New structure for innovation, digitalization and service development progressing according to plan
- Coor SmartClimate Powered by LightAir*

Growth opportunities ahead

- Very strong sales pipeline across the Nordics both in IFM and Single Service
- Strong focus on M&A internally within Coor and high activity in the market

Coor SmartClimate Powered by LightAir



**winner of IFMA Nordic FM
Innovation Award 2020*

Well positioned for the future

Coor, as a professional FM provider and market leader in IFM, is needed as a partner to the business and public sectors in the Nordic region

Nordic FM Market, BnSEK



SERVICE *with* IQ



The Market

- Outsourcing trend continues and historical “crisis” has driven new, large outsourcing deals.
- Business and public sectors will look for efficiency. Coor sells and deliver efficiency.
- Fragmented single service segment provides opportunities for M&A.

On-site Service

- Trend of remote working started Pre-COVID-19 but accelerated by the pandemic.
- Survey indicates remote working to go from 0,5 day/week to 1-1,5 days/week but with variations by e.g., industry/sector, office site vs manufacturing site and urban area vs rural area.
- Trial & Error phase before reaching the New Normal.
- New and increased demand for the future office (e.g., lay-outs, new services and service levels).

Technology

- Increased demand for Smart, Digital and Automated/Touch-Free solutions.
- Coor in the forefront of technical solutions, with strong platform for innovation and digitalization.
- The workplace will become pandemic-safe through smart technology and thereby continue to play a critical role in social well-being for individuals.

Services

- Increased focus and demand for professional cleaning services. (Coor’s largest service line).
- Relatively stable demand for Property services over time (Coor’s 2nd largest service line).
- Reduced demand for Food & Beverage in urban areas.
- IFM is a competitive advantage.



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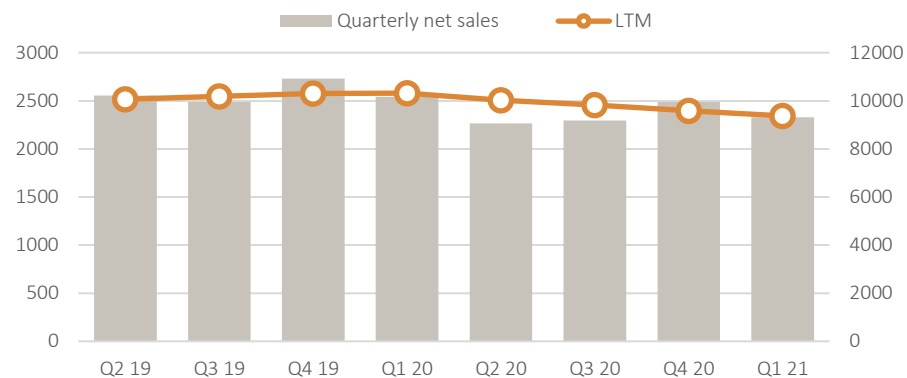
Profit & Loss Statement

Profit & Loss

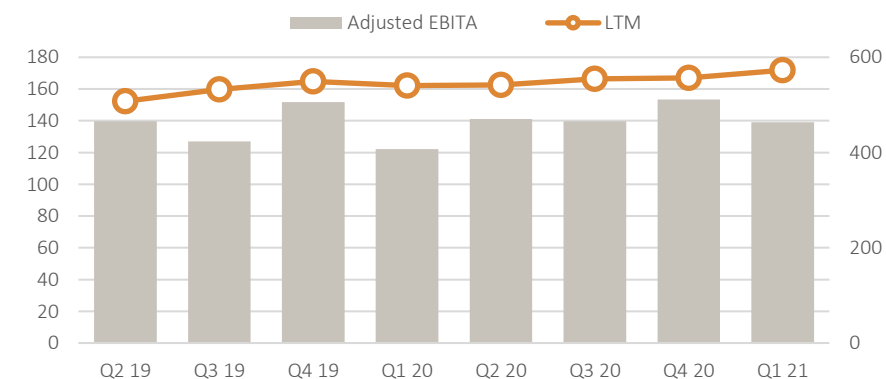
(SEK m)

	2021	Q1 2020	Chg.	LTM Q1	FY 2020
Net sales	2 330	2 541	-210	9 381	9 591
Adj. EBITA	139	122	17	573	556
Adj. EBITA margin	6.0%	4.8%	1.1%	6.1%	5.8%
EBIT	84	61	22	340	318
Financial net	-13	-17	4	-62	-66
Income tax expense	-17	-13	-5	-66	-61
Net income	53	31	22	213	191
Add-back amortization	51	49	2	195	193
Adj.Net income	104	80	24	407	384

Net Sales Development, SEK m



Adj. EBITA Development, SEK m



Country by country

SWEDEN

Share of Net Sales

51%

- Negative impact on variable volume due to COVID-19, mainly within F&B and property related projects
- Positive volume impact from increased demand for cleaning as well as expanded contracts and smaller new business
- Margin improvement from cost reductions, efficiencies and positive volume mix-effects

	Q1 21	Q1 20
Organic Growth	-9%	-2%
Acquired Growth	0%	5%
EBITA Margin	10.5%	9.6%

NORWAY

Share of Net Sales

21%

- Negative impact on variable volume due to COVID-19, mainly within F&B
- Increased demand for cleaning, maintenance work in the Oil & Gas industry and R&K gives a positive volume contribution
- Margin improvement from cost reductions, efficiency and positive impact from additional cleaning and maintenance volumes. Some positive impact from renegotiated F&B-contracts

	Q1 21	Q1 20
Organic Growth	-11%	0%
Acquired Growth	1%	0%
EBITA Margin	6.8%	5.4%

DENMARK

Share of Net Sales

21%

- Positive organic growth from the new contract with PostNord as well as increased demand for cleaning
- Negative impact on variable volume due to COVID-19, mainly within F&B and property related projects
- Margin and profit improvement from cost reductions, efficiencies and positive impact from Post-Nord and additional cleaning. Q1 LY impacted by negative one-off

	Q1 21	Q1 20
Organic Growth	3%	4%
Acquired Growth	0%	0%
EBITA Margin	5.1%	2.1%

FINLAND

Share of Net Sales

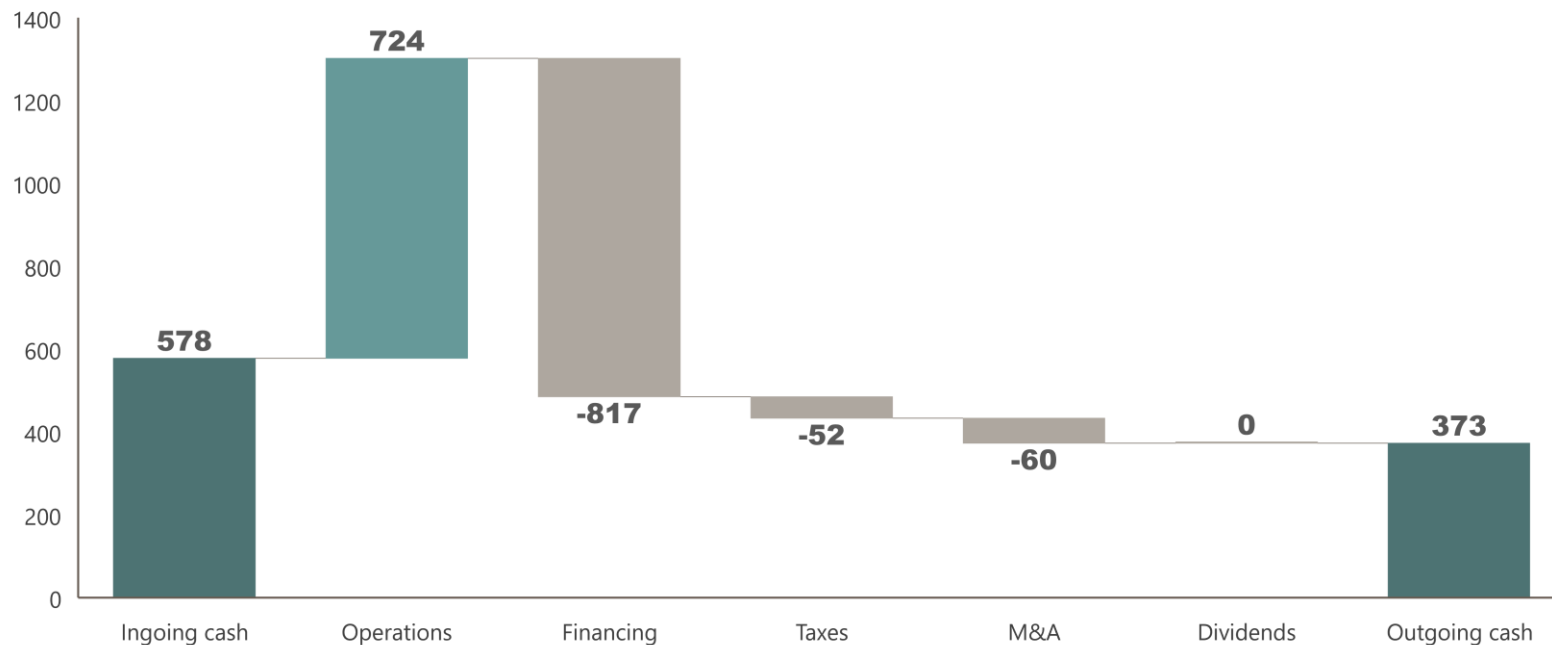
7%

- Positive organic growth driven by new contract with customer in the financial sector, increased demand cleaning services driven by COVID-19 and positive volume impact from snow.
- Margin and profit improvements from the new contract, cost reductions and positive effects from additional cleaning and snow removal volumes

	Q1 21	Q1 20
Organic Growth	3%	-15%
Acquired Growth	0%	0%
EBITA Margin	2.5%	0.9%

Cash Flow LTM, Q1 2021

SEK m



- Continued strong contribution from operations
- Financing – mainly related to reduced utilization of RCF, -600 MSEK
- M&A – fully related R&K in Norway



Cash conversion & selected balance sheet details

Cash conversion

(SEK m)	Q1 2021	2020	LTM Q1	FY 2020
Adj. EBITDA	187	173	770	756
Capex	-15	-28	-58	-70
Change in working capital	-2	86	45	133
Adj. operating cash flow	170	231	758	818
Cash conversion (%)	91%	134%	98%	108%

Balance Sheet KPIs

(SEK m)	Mar 31 2021	2020	Dec 31 2020
Net Working Capital	-891	-852	-881
<i>NWC, % of NS (LTM)</i>	-9.5%	-8.3%	-9.2%
<i>Equity/Assets Ratio</i>	36%	30%	34%
Cash	373	578	396
Net debt	1 118	1 589	1 207
<i>Leverage</i>	1.5x	2.1x	1.6x

Coor's financing

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



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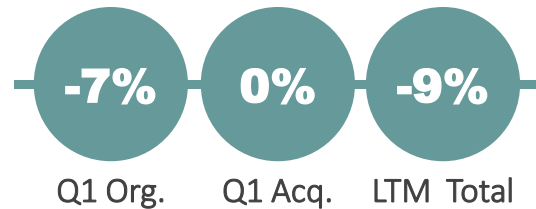
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Improved earnings and strong cash flow

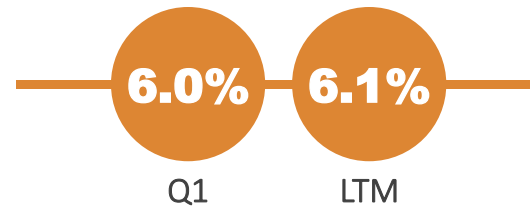
Growth

“Variable volumes impacted by Covid-19 but subscription volumes remain strong”



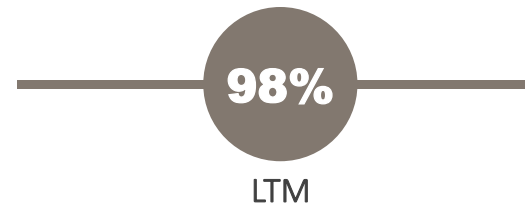
EBITA margin

“Strong business acumen with a capacity to adapt rapidly”



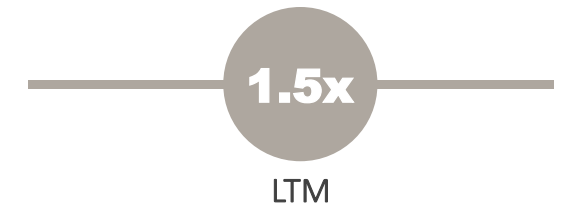
Cash conversion

“Strong cash flow focus across the organization”



Leverage

“High capacity for M&A”



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.

