



INTERIM REPORT Q3 JANUARY–SEPTEMBER 2021

Value-adding acquisitions, organic growth and strong earnings

Third quarter of 2021

- Net sales in the third quarter amounted to SEK 2,428 (2,297) million. Organic growth was 5 per cent and growth from acquisitions 1 per cent, while exchange rate effects accounted for 0 per cent.
- Adjusted EBITA increased by 8 per cent to SEK 150 (140) million and the operating margin was 6.2 (6.1) per cent.
- EBIT was SEK 105 (89) million. Profit after tax was SEK 69 (58) million.
- Earnings per share were SEK 0.7 (0.6).
- Cash conversion for the most recent 12-month period amounted to 94 (123) per cent.
- Leverage in relation to adjusted EBITDA was 1.6 (1.8).

January–September 2021 period

- Net sales for the full period amounted to SEK 7,203 (7,102) million. Organic growth was 2 per cent and growth from acquisitions 1 per cent, while exchange rate effects accounted for -1 per cent.
- Adjusted EBITA increased by 13 per cent to SEK 456 (403) million and the operating margin was 6.3 (5.7) per cent.
- EBIT was SEK 308 (236) million. Profit after tax was SEK 203 (141) million.
- Earnings per share were SEK 2.1 (1.5).

GROUP EARNINGS SUMMARY

Group earnings summary (SEK m)	Jul-Sep		Jan-Sep		Rolling 12 mth.	Jan-Dec 2020
	2021	2020	2021	2020		
Net sales	2,428	2,297	7,203	7,102	9,691	9,591
Organic growth, %	5	-7	2	-7	-1	-7
Acquired growth, %	1	2	1	2	1	2
FX-effects, %	0	-3	-1	-2	-1	-2
Adjusted EBITA	150	140	456	403	610	556
Adjusted EBITA-margin, %	6.2	6.1	6.3	5.7	6.3	5.8
EBIT	105	89	308	236	390	318
Income for the period	69	58	203	141	252	191
Cash conversion, %	158	160	84	103	94	108
Earnings per share, SEK	0.7	0.6	2.1	1.5	2.6	2.0

See page 30 for definitions and calculations of key performance indicators. Items affecting comparability are presented in Note 3

CEO'S COMMENTS

VALUE-ADDING ACQUISITIONS, ORGANIC GROWTH AND STRONG EARNINGS

Sales in the third quarter amounted to SEK 2,428 (2,297) million, with organic growth of 5 per cent.

Adjusted operating profit rose 8 per cent to SEK 150 (140) million in the third quarter and the operating margin was 6.2 (6.1) per cent. Coor's cash flow and balance sheet remain strong, with a cash conversion of 94 (123) per cent over the most recent 12 months and a low leverage of 1.6 (1.8) times adjusted EBITDA. This provides us with excellent scope and the financial capacity for new business opportunities and value-adding business acquisitions.

ORGANIC GROWTH AND STRONG OPERATING PROFIT

Coor delivered positive organic growth in the third quarter, with Norway continuing to account for the largest growth at 16 per cent, followed by Denmark at 6 per cent. Organic growth was mainly driven by increased assignment volumes, not least in the Norwegian oil and gas industry, but new and expanded business also contributed positively to organic growth in the quarter.

Coor once again delivered strong earnings, primarily driven by Norway and Sweden. Norway posted an earnings improvement of 30 per cent, which was driven by high assignment volumes, mainly linked to the ongoing maintenance stoppages within the Norwegian oil and gas industry. Coor's customer-oriented and decentralised organisation has successfully continued to adapt and improve the efficiency of the operations, benefiting our customers and providing strong financial results throughout the entire organisation. In addition to the organisation's focus on costs and efficiency, increased volumes also contributed to improved operating profit.

HIHGHLY SATISFIED EMPLOYEES AND CUSTOMERS CONTRIBUTE TO NEW BUSINESS

Every year, Coor conducts both an employee and a customer survey. In 2021, Coor retained its very high results with an employee satisfaction index of 78 (78), while the customer satisfaction index hit a new record of 74 (70). It is gratifying that employee and customer satisfaction are at such high levels, particularly in a year dominated by the pandemic.

In the third quarter, Coor extended its IFM contract with Aibel, one of its largest contracts in Norway. Coor also extended its cleaning contracts with Fredensborg Municipality in Denmark and BAE in Sweden as well as its property management and cleaning-related contract with SSAB in Finland.

During the quarter, Coor signed new cleaning contracts with Seco Tools in Sweden and Evidensia in Finland. Coor also signed a prestigious food and beverages contract with a Swedish authority.

We are convinced that our strong results from the employee and customer surveys contribute to new and extended business.

GOLD RATING AND CONTINUED HIGH SUSTAINABILITY AMBITIONS

At the end of September, Coor was awarded a gold rating in EcoVadis's annual international rankings. EcoVadis is an independent analyst that analyses and evaluates the sustainability efforts of companies. The gold rating from EcoVadis places Coor among the top 5 per cent of global companies in terms of its CSR work. We are very proud of our work, and we see this as an affirmation that we are establishing a truly sustainable company.

VALUE-ADDING ACQUISITIONS

In the summer, Coor completed a very important acquisition that further strengthened its offering in technical property services and sustainability. Veolia Technical Management is a well-run business with high levels of technical expertise in critical production and infrastructure plants. The business has annual sales of SEK 500 million and I am pleased to welcome 250 competent employees to Coor.

On 8 November, Coor announced another acquisition, Inspira, a well-run family business that provides cleaning and workplace services to a large number of customers in Central Sweden. Inspira has annual sales of about SEK 700 million and 1,400 employees.

WELL-POSITIONED FOR THE FUTURE

At the end of the third quarter, the pandemic restrictions employed by authorities in the countries where Coor operates were essentially lifted. We are now seeing the start of a recovery and many customers who were previously working remotely are gradually on their way back to the office.

The pipeline of new business remains strong and Coor is engaged in many positive dialogues with both existing and new customers who need new solutions to streamline, adapt and develop their businesses. With a healthy cash flow and strong balance sheet, we are continuing to see favourable opportunities to complete additional value-adding acquisitions.

Stockholm, 9 November 2021

AnnaCarin Grandin
President and CEO, Coor



OUR OPERATIONS IN THREE DIMENSIONS

Delivering on Coor's strategy and developing our business in line with Coor's vision requires a long-term approach to sustainability. Coor strives to conduct its business in a responsible manner. This means that we create value in three dimensions: financially, socially and environmentally.





BUSINESS RESPONSIBILITY



SALES AND EARNINGS

Key performance indicators (SEK m)	Jul-Sep		Jan-Sep	
	2021	2020	2021	2020
Net sales	2,428	2,297	7,203	7,102
Organic growth, %	5	-7	2	-7
Acquired growth, %	1	2	1	2
FX effects, %	0	-3	-1	-2
Adjusted EBITA	150	140	456	403
Adjusted EBITA-margin, %	6.2	6.1	6.3	5.7
EBIT	105	89	308	236
EBIT-margin, %	4.3	3.9	4.3	3.3
Number of employees (FTE)	9,312	9,022	9,312	9,022

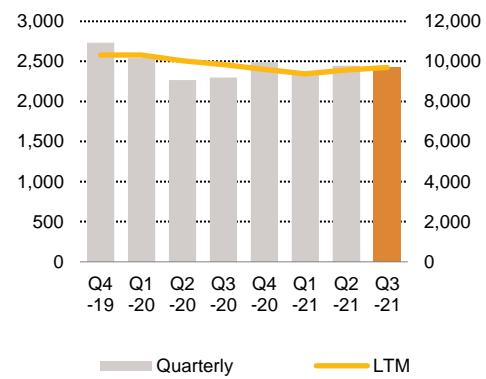
Third quarter (July–September)

Sales increased 6 per cent compared with the year-earlier period. Organic growth was positive and amounted to 5 per cent. While the highest organic growth was reported in Norway and Denmark, Sweden also made a positive contribution. Growth was mainly driven by high assignment volumes and new business, the largest of which was with PostNord. The high assignment volumes were mainly from the Norwegian oil and gas industry. Acquired growth for the quarter amounted to 1 per cent and is entirely related to the Norwegian operations. Exchange rate effects amounted to 0 per cent.

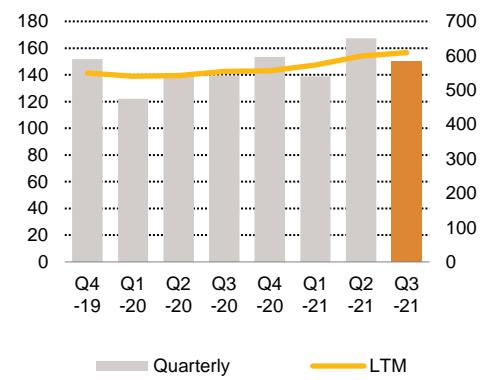
Operating profit (adjusted EBITA) amounted to SEK 150 (140) million. The operating margin for the quarter was 6.2 (6.1) per cent. All countries – with the exception of Finland, which was marginally lower, – improved their operating profit and operating margins. Central costs have normalised compared with the preceding year due to the high level of caution at that time driven by uncertainty concerning COVID-19.

EBIT was SEK 105 (89) million. In addition to the increase in adjusted EBITA, amortisation of customer contracts and trademarks was also lower compared with the third quarter of the preceding year.

Net sales (SEK m)



Adjusted EBITA (SEK m)



Net sales by country (LTM)



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

Net sales by type of contract (LTM)



- IFM, 59%
- FM-Services, 41%

Net sales by type of service line (LTM)



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

Net sales by customer segment (LTM)



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

Full period (January–September)

Sales increased 1 per cent compared with the year-earlier period. Organic growth was 2 per cent and growth from acquisitions 1 per cent, while exchange rate effects accounted for -1 per cent.

Operating profit (adjusted EBITA) increased by 13 per cent year-on-year to SEK 456 (403) million. The operating margin was 6.3 (5.7) per cent. EBIT was SEK 308 (236) million.

FINANCIAL NET AND PROFIT AFTER TAX

Net financial items improved SEK 4 million year-on-year and totalled SEK -44 (-48) million.

Tax for the full period was SEK -61 (-46) million, corresponding to 23 (25) per cent of profit before tax. Profit after tax was SEK 203 (141) million.

FINANCIAL POSITION

Consolidated net debt at the end of the period was SEK 1,322 (1,372) million.

The company's leverage, defined as net debt to adjusted EBITDA (rolling 12 months), was 1.6 (1.8) at the end of the period, which is well in line with the Group's target of a leverage below 3.0.

Equity at the end of the period was SEK 2,119 (2,068) million, and the equity/assets ratio was 35 (33) per cent. During the second quarter, the Group paid dividends to shareholders amounting to SEK 190 million, which reduced the Group's equity in a corresponding amount.

Cash and cash equivalents amounted to SEK 122 (345) million at the end of the period. At the end of the period, the Group had undrawn credit lines totalling SEK 1,350 (1,150) million.

CASH FLOW

Operating cash flow varies from one quarter to the next. The key parameter to follow is the rolling 12-month change in working capital. In the past 12 months, working capital declined by SEK 16 million, driven by ongoing focused efforts across the entire organisation.

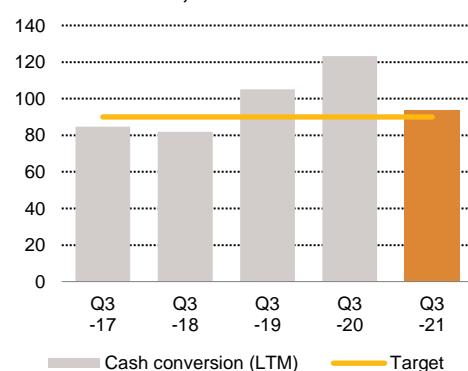
The most important key performance indicator for Coor's cash flow is cash conversion, which is defined as the ratio of a simplified operating cash flow to adjusted EBITDA. Cash conversion for the most recent 12-month period amounted to 94 (123) per cent, which is well in line with the Group's target of a cash conversion of over 90 per cent. The very high cash conversion in the third quarter of the preceding year was partly driven by positive effects from deferred taxes and contributions in Denmark and Norway.

	Jan-Sep	
Financial net (SEK m)	2021	2020
Net interest, excl leasing	-31	-33
Net interest, leasing	-6	-8
Borrowing costs	-3	-3
Exchange rate differences	1	-1
Other	-4	-3
Total financial net	-44	-48
Profit before tax	264	187
Tax	-61	-46
Income for the period	203	141

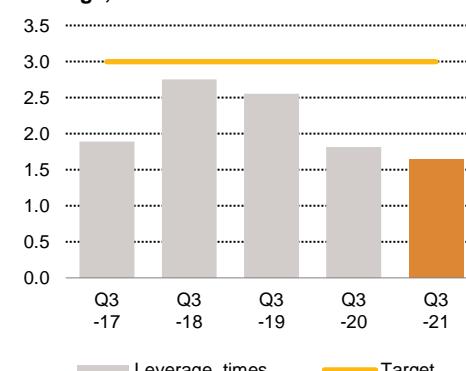
Net debt (SEK m)	30 Sep		31 Dec
	2021	2020	2020
Liabilities to credit institutions	144	342	241
Corporate bond	1,000	1,000	1,000
Leasing, net	299	340	328
Other	1	35	33
Net debt	1,444	1,717	1,603
Cash and cash equivalents	-122	-345	-396
Net debt	1,322	1,372	1,207
Leverage, times	1.6	1.8	1.6
Equity	2,119	2,068	2,079
Equity/assets ratio, %	35	33	34

Cash conversion (SEK m)	Rolling 12 mth.		jan-dec
	2021	2020	2020
Adjusted EBITDA	807	756	756
Change in net working capital	16	254	133
Net investments	-64	-77	-70
Cash flow for calculation of cash conversion	758	933	818
Cash conversion, %	94	123	108

Cash conversion, %



Leverage, times

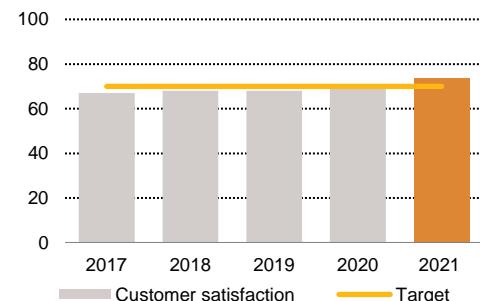


CUSTOMER RELATIONSHIPS

Every year, Coor conducts a survey among its customers with the help of an external research firm with the aim of monitoring its performance as a service provider. In the survey for 2021, Coor's customer satisfaction index improved even further and is now at the highest score to date of 74 (70). The number of contact persons who completed the survey increased to 837, compared with 805 in the preceding year. The results from the customer survey provide valuable input for the future, with regard to the development of Coor's relationships with its customers as well as its internal development as a company.

As a supplement to the annual survey, we continuously follow up on customer satisfaction. These qualitative and quantitative follow-ups are customised based on the specific customer and focus on both service delivery and customer relations. Quantitative surveys are carried out using, for example, pulse surveys.

Customer satisfaction index



SIGNIFICANT EVENTS DURING THE QUARTER

- On 19 July 2021, Coor announced that the company had acquired the business area Veolia Technical Management in Sweden, part of Veolia Sverige AB. The acquisition was completed in the form of an asset transfer mainly consisting of four major customer contracts. The business area has annual sales of about SEK 500 million, and the acquisition brought some 250 additional new employees to the Group. The acquisition further strengthens Coor's offering in technical property maintenance. Following approval by the competition authority, the acquisition was completed on 30 September 2021. The consideration for the acquisition on a cash-free, debt-free basis is SEK 180 million and the acquisition was fully financed within the framework of Coor's existing financing.
- On 28 September 2021, Coor announced that the company had been awarded a gold rating in EcoVadis's annual international ranking. EcoVadis is an independent analyst that analyses and evaluates the sustainability efforts of companies. The gold rating from EcoVadis places Coor among the top 5 per cent of global companies in terms of its CSR work.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- On 19 October, Coor announced that Anders Ehrling, a member of Coor's Board of Directors, is resigning at his own request due to a new position in a competing business. A replacement will not be chosen before the ordinary Annual General Meeting.
- On 8 November, it was announced that Coor had acquired Inspira, a well-run family business that provides cleaning and workplace services to a large number of customers in Central Sweden. Inspira has annual sales of about SEK 700 million and 1,400 employees.



SOCIAL RESPONSIBILITY



ORGANISATION AND EMPLOYEES

At the end of the period, the number of employees was 11,494 (11,238), or 9,312 (9,022) on a full-time equivalent basis.

EQUAL OPPORTUNITIES

Coor believes firmly that a diversity of personalities, backgrounds, experiences and knowledge creates the right conditions for the company's continued success. As part of its efforts to ensure diversity, Coor clearly strives for an equal gender distribution among its managers. At the end of the period, there was a highly even distribution of men and women in managerial positions.

EMPLOYEE MOTIVATION

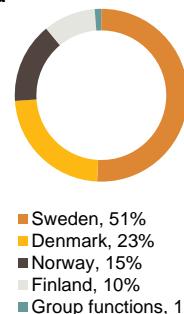
Each year, Coor carries out a comprehensive employee survey with the help of an external research firm. The survey, which was carried out during the third quarter in 23 different languages, gives employees an opportunity to provide anonymous feedback on what it is like to work at Coor. The results of the survey are important for our efforts to become an even more attractive employer. The 2021 survey was responded to by 80 (85) per cent of all employees and showed a continued very high score in the employee motivation index (EMI) of 78 (78).

HEALTH AND SAFETY

Coor has a clear vision to achieve zero work-related injuries, and it goes without saying that all employees should have a safe work environment. Managers and employees take responsibility for preventing and avoiding injuries. All employees are encouraged to report observed risks. Risk observations, incidents and injuries are reported directly to the relevant manager, after which a follow-up and analysis of preventive measures is conducted. The results are followed up and analysed at the country and Group level on an ongoing basis. In several countries, extended training initiatives and "I Care" campaigns are being carried out with a focus on raising the level of risk awareness in the organisation.

Coor's medium-term goal is for the Group's total recorded injury frequency rate (TRIFIR) to be less than 3.5. For full-year 2020, the Group's TRIFIR was 9.9. In the third quarter of 2021 (rolling 12 months), the Group's TRIFIR was 9.0. Coor is working systematically and continuously to achieve the target level of ≤3.5. Coor has achieved substantial improvements since the baseline was established in 2016 when the Group's TRIFIR was 21.3.

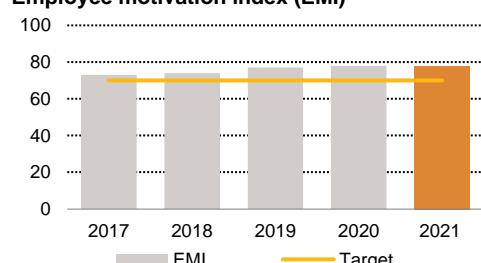
Distribution of employees (FTE) at the end of the period



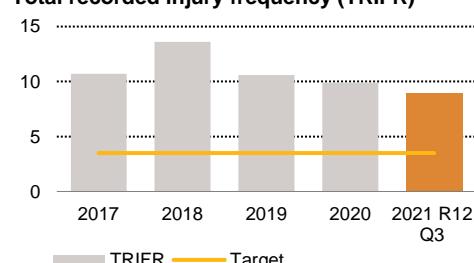
Equal opportunities (gender distribution of managers) at the end of the period



Employee motivation index (EMI)



Total recorded injury frequency (TRIFIR)





ENVIRONMENTAL RESPONSIBILITY



AMBITION

In Coor's strategic plan for 2025, the ambition was established to be a truly sustainable company. Part of this involves Coor working to reduce its emissions of greenhouse gases. Coor calculates emissions according to the Greenhouse Gas (GHG) Protocol.

Target to reduce Scope 1 and 2 greenhouse gases by 50 per cent

Coor's operations give rise to direct emissions of greenhouse gases from our vehicle fleet and machinery (Scope 1), indirect emissions from energy use in the form of electricity, heating and cooling (Scope 2) and emissions that occur in our value chain where Coor does not always own the process or have direct control over production (Scope 3). These include purchases of goods and services, business trips and employees commuting to and from work. Our goal is to reduce our Scope 1 and 2 emissions under the global GHG Protocol framework by 50 per cent by 2025 compared with our baseline.

In addition to addressing its footprint, Coor can also help its customers make a positive contribution to the climate challenge through its services in such areas as energy optimisation. We refer

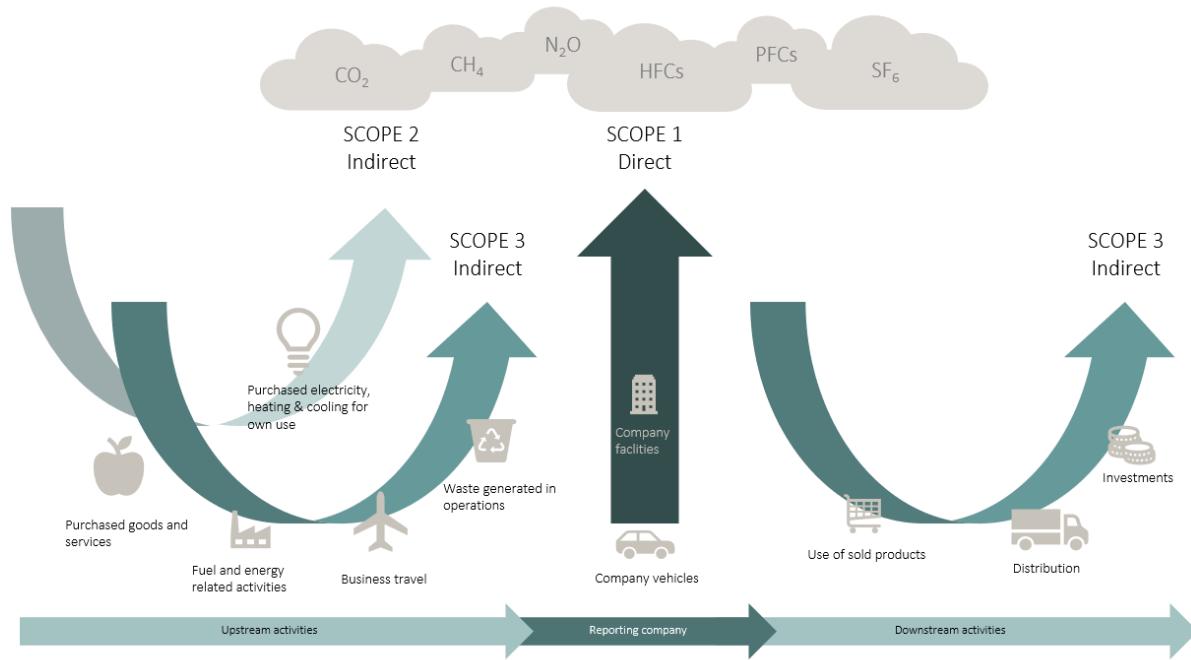
to this as Coor's handprint and it is an important part of our customer offering.

Reduction of Scope 3 greenhouse gases

Coor has calculated its total emissions of greenhouse gases in Scopes 1, 2 and 3 in order to gain an overview of the distribution of greenhouse gas emissions in the value chain and to identify its greatest emission drivers. 7 per cent of our emissions come directly from our operations (Scopes 1 and 2). The vast majority of Coor's greenhouse gas emissions are indirect Scope 3 emissions, meaning that they arise from purchased goods and services linked to our service delivery to the customer. In addition to reducing our direct emissions, we also want to reduce those indirect emissions that we can influence. Coor's greatest opportunity to help address the global climate challenge is to reduce our footprint in food and beverages.

Science Based Targets initiative

Coor committed to the Science Based Targets initiative in spring 2021 to ensure that the company's climate targets are in line with the established goals to limit global warming to 1.5 degrees Celsius.



SCOPE 1

Within Scope 1, the most relevant figure to measure and follow up is fuel consumption for the Group's vehicle fleet. Coor primarily uses three types of vehicles: service vehicles, company cars for business use and company cars for private use. The Group's long-term target is to have a fossil-free vehicle fleet. Its efforts to achieve this target are now being ramped up and will require a combination of an increased share of electric vehicles and a transition to HVO fuel wherever the use of electric vehicles is not yet possible. In June, Coor made the decision to only permit company cars for personal use that are 100 per cent electric. Work also began ahead of the transition to an electric fleet of company cars and service vehicles. In parallel with this work, eco driving training and follow-ups are also being carried out.

The Group's emissions of CO₂e have essentially remained unchanged for the past three years, while the intensity rate has increased slightly during the pandemic to 0.33 tCO₂e/SEK million since sales have declined in operating areas where the need for vehicles is low, primarily food and beverages. The baseline for Scope 1 is 0.28 tCO₂e/SEK million in 2018.

SCOPE 2

Scope 2 comprises energy use in the form of electricity, heating and cooling in the premises where Coor has operational control over its energy use. The measurements are carried out annually.

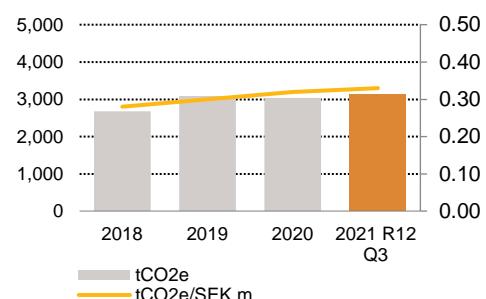
Coor works continuously to reduce its energy consumption in its premises. In 2021, Coor has verified baseline and data quality connected to energy consumption. Compared with the baseline from 2018, measures have been taken to reduce the absolute level of tCO₂e by just over 17 per cent and to improve the intensity rate, defined as tCO₂e/SEK million, from 0.08 to 0.07. An important part of this work is to continue the transition to renewable electricity.

SCOPE 3

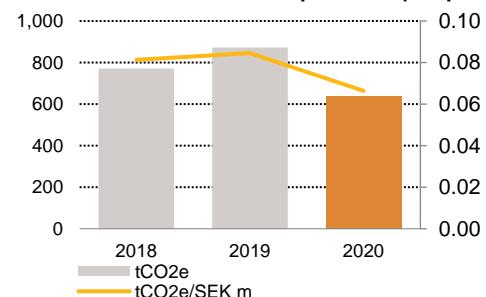
Most of Coor's climate impact is attributable to purchased goods and services used in our service delivery (Scope 3). Purchases of raw materials for our restaurant operations comprise the vast majority of our Scope 3 emissions. A number of initiatives are now under way to reduce the climate impact of Coor's restaurant operations, including reducing the amount of waste generated by the restaurants as well as developing new healthy, sustainable meals. One example of Coor's commitment to the sustainable meals of the future is its involvement as a leader of the Norwegian Food (R)evolution project along with a number of partners, including Orkla Foods Norge. The project is financed by the Research Council of Norway and will run until 2024.

In order to analyse the climate impact of its service delivery, Coor is in the process of developing a climate calculation tool. The focus will initially be on the three service areas that jointly account for the majority of Coor's emissions: food and beverages, property services and cleaning. The ultimate aim is to carry out a thorough follow-up of the greenhouse gas emissions from the Group's operations and consumption of raw materials, including the development of an analysis tool that will support decision-makers in making more data-driven decisions when it comes to reducing Coor's Scope 3 climate impact.

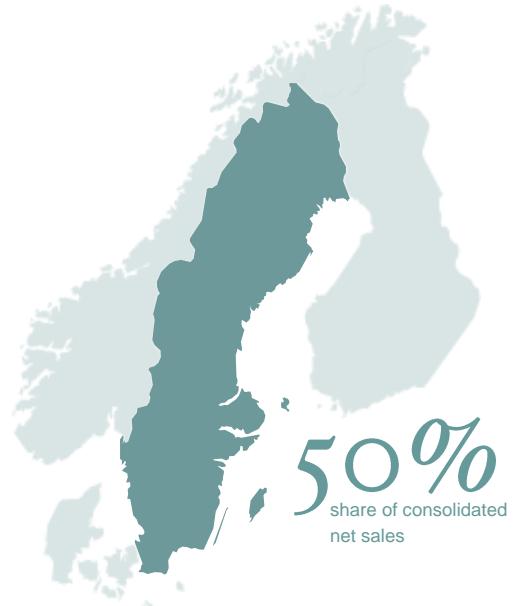
Reduction of CO₂e from vehicle fleet (Scope 1)



Reduction of CO₂e from our premises (Scope 2)



SWEDEN



Key performance indicators (SEK m)	Jul-Sep		Jan-Sep	
	2021	2020	2021	2020
Net sales	1,164	1,158	3,546	3,629
Organic growth, %	1	-9	-2	-8
Acquired growth, %	0	5	0	5
FX-effects, %	0	0	0	0
Adjusted EBITA	119	106	377	350
Adjusted EBITA-margin, %	10.2	9.1	10.6	9.6
Number of employees (FTE)	4,728	4,434	4,728	4,434

THIRD QUARTER (JULY–SEPTEMBER)

During the third quarter, sales in the Swedish operations increased by 1 per cent as a result of positive organic growth. The positive organic growth was mainly connected to the new contract with PostNord and a certain expansion of the deliveries to Karolinska University Hospital in Solna. Together, this offset the lower assignment volumes from OKG due to less extensive maintenance stoppages compared with the preceding year.

Operating profit (adjusted EBITA) for the quarter increased by 12 per cent year-on-year to SEK 119 (106) million. The operating margin thus improved to 10.2 (9.1) per cent. The improved operating profit and operating margin are attributable to new business and a continued intense cost focus across the entire organisation.

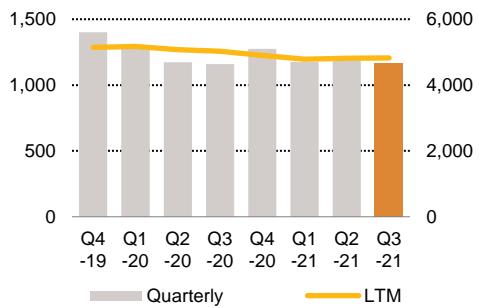
In the third quarter, several new cleaning contracts were signed with companies such as Seco Tools and Amazon, along with important extensions such as an additional three years with BAE. In food and beverages, Coor won a new prestigious assignment for a Swedish authority.

FULL PERIOD (JANUARY–SEPTEMBER)

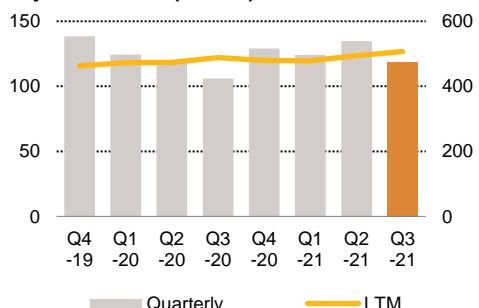
During the full period, sales in the Swedish operations declined by 2 per cent as a result of negative organic growth.

Operating profit (adjusted EBITA) increased by 8 per cent year-on-year to SEK 377 (350) million. The operating margin improved to 10.6 (9.6) per cent.

Net sales (SEK m)

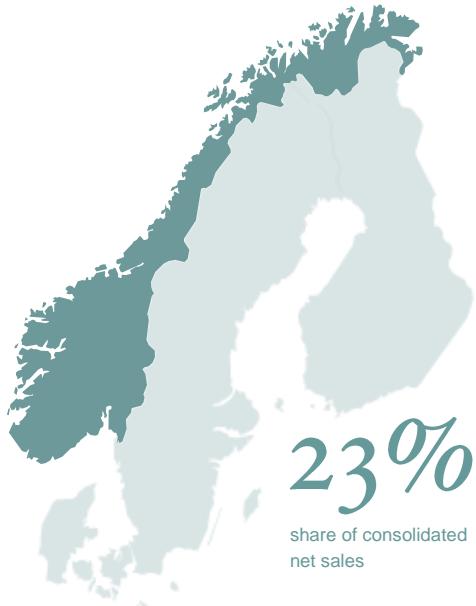


Adjusted EBITA (SEK m)



NORWAY

Key performance indicators (SEK m)	Jul-Sep		Jan-Sep	
	2021	2020	2021	2020
Net sales	603	495	1,708	1,554
Organic growth, %	16	-13	6	-10
Acquired growth, %	4	0	3	0
FX-effects, %	2	-9	1	-8
Adjusted EBITA	43	33	119	90
Adjusted EBITA-margin, %	7.1	6.6	6.9	5.8
Number of employees (FTE)	1,403	1,482	1,403	1,482



THIRD QUARTER (JULY–SEPTEMBER)

During the third quarter, sales in the Norwegian operations increased by a total of 22 per cent as a result of positive organic growth of 16 per cent and positive exchange rate effects of 2 per cent. The acquisition of R&K Service, which was completed on 1 March 2021, also contributed 4 per cent growth. Positive organic growth was driven by continued high assignment volumes in the oil and gas industry during the quarter, mainly linked to the ongoing maintenance stoppages.

Operating profit (adjusted EBITA) for the quarter increased by 30 per cent to SEK 43 (33) million. The operating margin thus improved to 7.1 (6.6) per cent. The positive development in terms of operating profit and operating margin was attributable to effective cost control, efficiency enhancements and positive effects from high assignment volumes in the oil and gas industry.

The integration of R&K Service is proceeding according to plan and contributed to the improvement in operating profit and the operating margin.

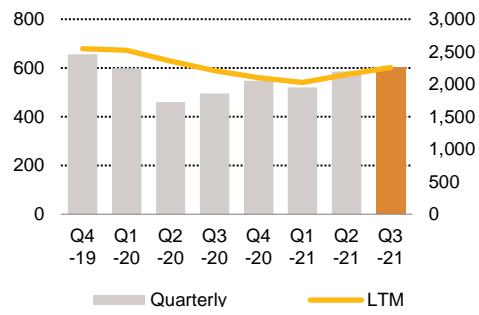
In the third quarter, a two-year optional extension of an IFM contract was signed with Aibel, which is one of the largest contracts in the Norwegian operations.

FULL PERIOD (JANUARY–SEPTEMBER)

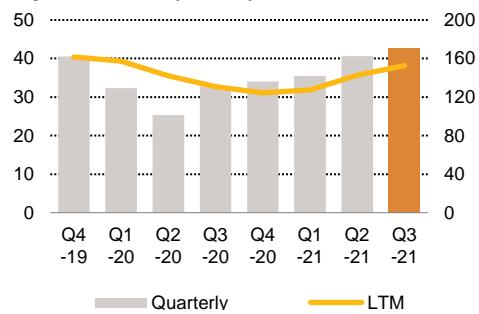
During the full period, sales in the Norwegian operations increased by 10 per cent as a result of positive organic growth of 6 per cent, the acquisition of R&K Service, which contributed 3 per cent growth, and exchange rate effects, which contributed 1 per cent growth.

Operating profit (adjusted EBITA) increased by 31 per cent to SEK 119 (90) million in the full period. The operating margin improved to 6.9 (5.8) per cent.

Net sales (SEK m)

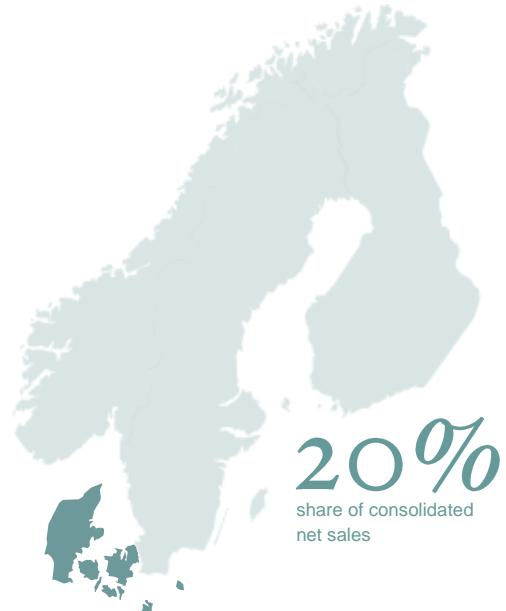


Adjusted EBITA (SEK m)



DENMARK

Key performance indicators (SEK m)	Jul-Sep		Jan-Sep	
	2021	2020	2021	2020
Net sales	508	487	1,480	1,444
Organic growth, %	6	3	6	2
Acquired growth, %	0	0	0	0
FX-effects, %	-1	-3	-4	0
Adjusted EBITA	23	21	80	61
Adjusted EBITA-margin, %	4.6	4.4	5.4	4.2
Number of employees (FTE)	2,158	2,088	2,158	2,088



THIRD QUARTER (JULY–SEPTEMBER)

During the third quarter, sales in the Danish operations increased by 4 per cent compared with the year-earlier period, with organic growth of 6 per cent and negative exchange rate effects of -1 per cent. The new contract with PostNord, higher volumes in food and beverages and somewhat higher assignment volumes in property services contributed positively to organic growth. In cleaning, assignment volumes decreased compared with the high levels in the year-earlier period driven by COVID-19.

Operating profit (adjusted EBITA) for the quarter amounted to SEK 23 (21) million. The operating margin was 4.6 (4.4) per cent. Along with a major cost focus and efficiency enhancements in several contracts, the increased volumes from new business and food and beverages contributed to an improved operating profit and operating margin in the third quarter. At the same time, lower assignment volumes in cleaning impacted operating profit and the operating margin negatively.

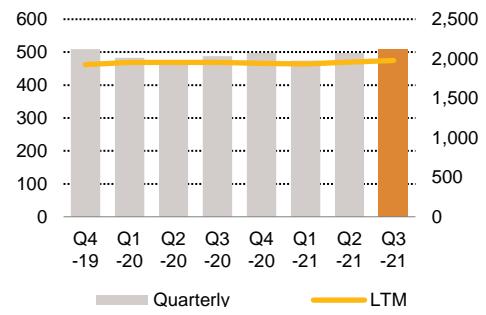
In the third quarter, Coor was allocated two cleaning contracts with Danish municipalities with the municipalities choosing to end their contracts with their existing suppliers prematurely, and Coor also extended a major cleaning contract with Fredensborg Municipality until 2027.

FULL PERIOD (JANUARY–SEPTEMBER)

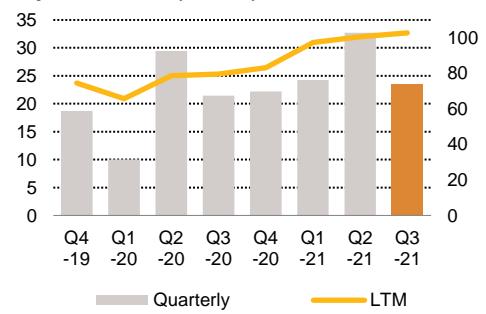
During the full period, sales in the Danish operations increased by 2 per cent compared with the year-earlier period. Organic growth amounted to 6 per cent, but exchange rate effects were negative and amounted to -4 per cent.

Operating profit (adjusted EBITA) for the full period amounted to SEK 80 (61) million and the operating margin was 5.4 (4.2) per cent.

Net sales (SEK m)



Adjusted EBITA (SEK m)



FINLAND



Key performance indicators (SEK m)	Jul-Sep		Jan-Sep	
	2021	2020	2021	2020
Net sales	155	156	469	477
Organic growth, %	0	-3	2	-11
Acquired growth, %	0	0	0	0
FX-effects, %	-1	-3	-4	-0
Adjusted EBITA	13	14	22	20
Adjusted EBITA-margin, %	8.2	8.9	4.6	4.2
Number of employees (FTE)	909	904	909	904

THIRD QUARTER (JULY–SEPTEMBER)

Sales in the Finnish business decreased in the third quarter by 1 per cent owing to negative FX effects, while sales were otherwise unchanged.

Operating profit (adjusted EBITA) declined somewhat compared with the preceding year and amounted to SEK 13 (14) million. The operating margin was 8.2 (8.9) per cent. Compared with the high operating margin in the corresponding quarter of the preceding year, there has been a greater need for summer staff this year, which has increased costs somewhat.

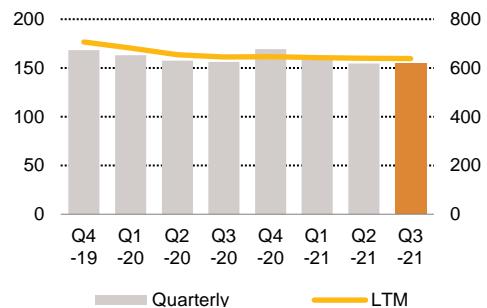
Contracts signed in the third quarter include a new nationwide cleaning contract with Evidensia and a three-year extension with SSAB.

FULL PERIOD (JANUARY–SEPTEMBER)

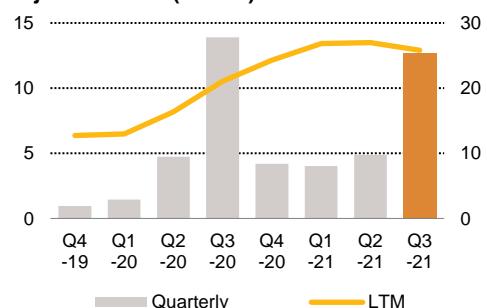
During the full period, net sales declined in Finland by 2 per cent. Organic growth amounted to 2 per cent, while exchange rate effects were negative and amounted to -4 per cent.

Operating profit (adjusted EBITA) increased compared with the year-earlier period and amounted to SEK 22 (20) million. The operating margin was 4.6 (4.2) per cent.

Net sales (SEK m)



Adjusted EBITA (SEK m)



OTHER INFORMATION

SIGNIFICANT RISKS AND UNCERTAINTIES

The Group's significant risks and uncertainties consist of strategic risks related to changes in market and economic conditions as well as sustainability and operational risks related to customer contracts. The Group is also exposed to various kinds of financial risks, such as currency, interest and liquidity risks. A detailed description of the Group's risks is provided in the Annual Report, which is available on the company's website.

ACQUISITIONS AND SALES

During the first quarter, Coor completed the acquisition of R&K Service AS in Norway. The company is a well-run family company that provides cleaning and restaurant services in the Stavanger area. The company has annual sales of around NOK 80 million. The consideration for the acquisition on a cash-free, debt-free basis is around SEK 65 million.

In the third quarter, Coor completed the acquisition of the business area Veolia Technical Management in Sweden, a well-run business with considerable focus on sustainability and high technical expertise in critical production and infrastructure plants. The acquisition was completed in the form of an asset transfer and mainly consists of four major customer contracts. The acquired business has annual sales of around SEK 500 million. The consideration for the acquisition on a cash-free, debt-free basis was SEK 180 million.

For additional information about acquisitions during the period, refer to Note 5.

PARENT COMPANY

The Group's parent company, Coor Service Management Holding AB, provides management services to its wholly owned subsidiary Coor Service Management Group AB. The parent company also manages shares in subsidiaries.

The loss after tax in the parent company was SEK -59 (-62) million. Total assets in the parent company at the end of the period were SEK 7,848 (7,844) million. Equity in the parent company amounted to SEK 5,224 (5,446) million. During the second quarter, the parent company paid dividends to shareholders amounting to SEK 190 million, which reduced equity in a corresponding amount.

RELATED-PARTY TRANSACTIONS

No transactions between Coor and related parties that had a material impact on the company's financial position and results took place during the period.

OWNERSHIP STRUCTURE

The shares of Coor Service Management Holding AB were listed on Nasdaq Stockholm on 16 June 2015. At the end of the period, the three largest shareholders were Nordea Fonder, the First Swedish National Pension Fund (Första AP-fonden) and Capital Group.

Coor's fifteen largest shareholders 30 Sep 2021¹⁾

Shareholder	Number of shares and votes	Shares and votes, %
Nordea Fonder	6,801,534	7.1
Första AP-Fonden	5,590,748	5.8
Capital Group	4,847,688	5.1
Mawer Investment Management	4,792,383	5.0
Didner & Gerge Fonder	4,307,216	4.5
Andra AP-Fonden	4,261,319	4.4
Spiltan Fonder	4,258,343	4.4
SEB-Stiftelsen	4,000,000	4.2
Taiga Fund Management AS	3,257,291	3.4
Wipunen varainhallinta Oy	2,687,563	2.8
Handelsbanken Fonder	2,527,025	2.6
Swedbank Robur Fonder	2,483,554	2.6
BMO Global Asset Management	2,362,539	2.5
Heikintorppa Oy	2,000,000	2.1
Degroof Petercam	1,868,553	2.0
Total 15 largest shareholders	56,045,756	58.5
Other shareholders	39,766,266	41.5
Total	95,812,022	100.0

¹⁾Source: Monitor by Modular Finance AB. Compiled and adapted data from Euroclear, Morningstar, the Swedish Financial Supervisory Authority and other sources.

The report for the period has been reviewed by the company's auditors.

Stockholm, 9 November 2021

For the Board of Directors of Coor Service Management Holding AB

AnnaCarin Grandin
President and CEO

As the leading provider of facility management services, Coor aims to create the happiest, healthiest and most prosperous workplace environments in the Nordic region. Coor offers specialist expertise in workplace services, property services and strategic advisory services. Coor creates value by executing, developing and streamlining our customers' service activities. This enables our customers to do what they do best.

Coor's customer base includes many large and small companies and public-sector organisations across the Nordic region, including ABB, AB Volvo, Aibel, DNV-GL, Ericsson, Equinor, ICA, NCC, the Danish Police, Public Prosecution Authority and Prison and Probation Service, PostNord, Saab, Sandvik, SAS, Telia Company, the Swedish Transport Administration, Vasakronan and Volvo Cars.

Coor was founded in 1998 and has been listed on Nasdaq Stockholm since 2015. Coor takes responsibility for the operations it conducts, in relation to its customers, employees and shareholders, as well as for its wider impact on society and the environment. Read more at www.coor.com



Auditor's report

Coor Service Management Holding AB (publ) org nr 556742-0806

Introduction

We have reviewed the condensed interim financial information (interim report) of Coor Service Management Holding AB (publ) as of 30 September 2021 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 9 November 2021

Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized Public Accountant

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Income statement (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Net sales	2,428	2,297	7,203	7,102	9,691	9,591
Cost of services sold	-2,137	-2,048	-6,347	-6,355	-8,587	-8,595
Gross income	291	248	856	747	1,104	996
Selling and administrative expenses	-186	-159	-548	-512	-715	-678
Operating profit	105	89	308	236	390	318
Net financial income/expense	-16	-15	-44	-48	-61	-66
Profit before tax	88	74	264	187	328	252
Income tax expense	-19	-16	-61	-46	-76	-61
INCOME FOR THE PERIOD	69	58	203	141	252	191
Operating profit	105	89	308	236	390	318
Amortisation and impairment of goodwill, customer contracts and trademarks	44	48	139	145	186	193
Items affecting comparability (note 3)	2	2	10	22	34	46
Adjusted EBITA	150	140	456	403	610	556
Earnings per share, SEK, before and after dilution	0.7	0.6	2.1	1.5	2.6	2.0

Statement of comprehensive income (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Income for the period	69	58	203	141	252	191
<i>Items that may be subsequently reclassified to profit or loss</i>						
Currency translation differences	13	-1	51	-64	9	-106
Cash flow hedges	0	-1	3	-11	3	-10
Other comprehensive income for the period	14	-2	54	-75	13	-116
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	83	56	256	66	265	74

The interim information on pages 17–30 is an integral part of this financial report.

CONSOLIDATED BALANCE SHEET

Balance sheet (SEK m)	30 Sep		31 Dec
	2021	2020	2020
ASSETS			
Intangible assets			
Goodwill	3,305	3,147	3,125
Customer contracts	355	442	392
Other intangible assets	168	172	170
Property, plant and equipment			
Right-of use assets held via leases	304	346	334
Other property, plant and equipment	84	85	83
Financial assets			
Deferred tax receivable	128	212	146
Other financial assets	21	17	18
Total non-current assets	4,365	4,420	4,268
Current assets			
Accounts receivable	1,186	1,174	1,144
Other current assets, interest-bearing	1	1	1
Other current assets, non-interest-bearing	347	295	256
Cash and cash equivalents	122	345	396
Total current assets	1,656	1,815	1,796
TOTAL ASSETS	6,021	6,235	6,064
Balance sheet (SEK m)	30 Sep		31 Dec
	2021	2020	2020
EQUITY AND LIABILITIES			
Equity	2,119	2,068	2,079
Liabilities			
Non-current liabilities			
Borrowings (Note 2)	1,146	1,373	1,273
Lease liabilities (Note 2)	194	240	227
Deferred tax liability	17	26	18
Provisions for pensions	20	20	18
Other non-interest bearing liabilities	1	0	0
Total non-current liabilities	1,378	1,659	1,536
Current liabilities			
Lease liabilities (Note 2)	107	102	103
Current tax liabilities	68	103	50
Accounts payable	578	529	607
Other current liabilities	1,767	1,769	1,674
Short-term provisions	4	6	15
Total current liabilities	2,523	2,508	2,449
TOTAL EQUITY AND LIABILITIES	6,021	6,235	6,064

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity (SEK m)	Jan-Sep		Jan-Dec
	2021	2020	2020
Opening balance at beginning of period	2,079	1,980	1,980
Income for the period	203	141	191
Other comprehensive income for the period	54	-75	-116
Long-term incentive programs	9	7	10
Share swap for hedging of long-term incentive program ¹⁾	-6	15	15
Acquisition of own shares ²⁾	-29	0	0
Dividend	-190	0	0
Closing balance at end of period	2,119	2,068	2,079

¹⁾ Coor has undertaken share swaps to secure its financial commitment under the Group's LTIP 2018 incentive programme. An allotment of shares was carried out under the share component of LTIP 2018 in the second quarter, but the Group continues to have a financial obligation under the option component of the programme. At 30 September 2021, the number of guaranteed shares amounted to 320,000.

²⁾ In the second quarter of 2021, Coor repurchased a number of own shares to secure its financial commitment under the Group's LTIP 2021 incentive programme. A total of 400,000 shares were repurchased in the second quarter at an average cost of SEK 72.40 per share. The company previously repurchased a number of own shares to secure its financial commitment under the Group's LTIP 2019 incentive programme. Coor now holds a total 740,000 treasury shares.

There are no non-controlling interests, as the parent company owns all shares of all subsidiaries.

CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flow statement (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Operating profit	105	89	308	236	390	318
Adjustment for non-cash items	93	99	283	287	391	395
Finance net	-15	-15	-42	-46	-59	-64
Income tax paid	-2	-15	-42	-37	-51	-46
Cash flow before changes in working capital	181	158	506	439	670	603
Change in working capital	133	125	-46	71	16	133
Cash flow from operating activities	314	283	460	510	686	736
Net investments	-18	-10	-48	-51	-63	-65
Acquisition of subsidiaries (note 5)	-209	0	-272	-12	-272	-12
Cash flow from investing activities	-226	-10	-321	-63	-335	-77
Change in borrowings	0	-100	-129	-450	-229	-550
Dividend	0	0	-190	0	-190	0
Net lease commitments	-31	-31	-92	-93	-126	-126
Other	0	0	-35	-20	-35	-20
Cash flow from financing activities	-31	-131	-447	-562	-580	-696
Total cash flow for the period	57	141	-307	-115	-229	-37
Cash and cash equivalents at beginning of period	57	203	396	497	345	497
Exchange gains on cash and cash equivalents	8	1	33	-36	6	-63
Cash and cash equivalents at end of period	122	345	122	345	122	396
Cash conversion	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
EBIT	105	89	308	236	390	318
Depreciation and amortisation	92	98	284	293	383	392
Adjustment for items affecting comparability	2	2	10	22	34	46
Adjusted EBITDA	199	189	602	551	807	756
Net investments*	-18	-11	-49	-55	-64	-70
Change in working capital	133	125	-46	71	16	133
Cash flow for calculation of cash conversion	314	303	506	566	758	818
Cash conversion, %	158	160	84	103	94	108

*Net investments incl. profit and loss from sales of fixed assets

REPORTING BY SEGMENT

Geographical segments (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Net sales						
Sweden	1,164	1,158	3,546	3,629	4,821	4,904
<i>Total sales</i>	1,177	1,199	3,585	3,754	4,903	5,072
<i>Internal sales</i>	-13	-41	-38	-125	-82	-168
Norway	603	495	1,708	1,554	2,256	2,102
<i>Total sales</i>	605	497	1,714	1,560	2,264	2,109
<i>Internal sales</i>	-2	-2	-6	-6	-8	-8
Finland	155	156	469	477	638	646
<i>Total sales</i>	155	156	469	477	638	646
<i>Internal sales</i>	0	0	0	0	0	0
Denmark	508	487	1,480	1,444	1,977	1,941
<i>Total sales</i>	509	488	1,480	1,446	1,978	1,944
<i>Internal sales</i>	-0	-1	-1	-2	-2	-3
Group functions/other	-2	-0	-1	-1	-1	-1
Total	2,428	2,297	7,203	7,102	9,691	9,591
Adjusted EBITA						
Sweden	119	106	377	350	506	479
Norway	43	33	119	90	153	124
Finland	13	14	22	20	26	24
Denmark	23	21	80	61	103	83
Group functions/other	-47	-34	-142	-118	-177	-154
Total	150	140	456	403	610	556
Adjusted EBITA is reconciled to profit before tax as follows:						
Amortisation and impairment of goodwill, customer contracts and trademarks	-44	-48	-139	-145	-186	-193
Items affecting comparability (note 3)	-2	-2	-10	-22	-34	-46
Net financial income/expense	-16	-15	-44	-48	-61	-66
Profit before tax	88	74	264	187	328	252

Adjusted EBITA margin, %	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Sweden	10.2	9.1	10.6	9.6	10.5	9.8
Norway	7.1	6.6	6.9	5.8	6.8	5.9
Finland	8.2	8.9	4.6	4.2	4.0	3.8
Denmark	4.6	4.4	5.4	4.2	5.2	4.3
Group functions/other	-	-	-	-	-	-
Total	6.2	6.1	6.3	5.7	6.3	5.8

Net sales by type of contract (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Net sales						
IFM	1,451	1,340	4,310	4,172	5,689	5,550
FM - services	977	956	2,893	2,931	4,003	4,041
Total	2,428	2,297	7,203	7,102	9,691	9,591

SEGMENTS – QUARTERLY

Geographical segments (SEK m)	2021			2020				2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales, external								
Sweden	1,164	1,206	1,176	1,275	1,158	1,174	1,297	1,400
Norway	603	585	520	548	495	461	598	656
Finland	155	155	160	169	156	158	163	168
Denmark	508	498	474	497	487	473	483	509
Group functions/other	-2	2	-0	-0	-0	-0	-0	-0
Total	2,428	2,445	2,330	2,489	2,297	2,265	2,541	2,732
Adjusted EBITA								
Sweden	119	135	124	129	106	120	124	138
Norway	43	41	35	34	33	25	32	40
Finland	13	5	4	4	14	5	1	1
Denmark	23	33	24	22	21	29	10	19
Group functions/other	-47	-46	-49	-36	-34	-38	-46	-47
Total	150	167	139	153	140	141	122	152
Adjusted EBITA-margin, %								
Sweden	10.2	11.2	10.5	10.1	9.1	10.2	9.6	9.9
Norway	7.1	6.9	6.8	6.2	6.6	5.5	5.4	6.2
Finland	8.2	3.2	2.5	2.5	8.9	3.0	0.9	0.6
Denmark	4.6	6.6	5.1	4.5	4.4	6.2	2.1	3.7
Group functions/other	-	-	-	-	-	-	-	-
Total	6.2	6.8	6.0	6.2	6.1	6.2	4.8	5.6
Type of contract (SEK m)	2021			2020				2019
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales, external								
IFM	1,451	1,468	1,391	1,379	1,340	1,300	1,531	1,695
FM-services	977	977	939	1,110	956	965	1,010	1,038
Total	2,428	2,445	2,330	2,489	2,297	2,265	2,541	2,732

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT

Income statement (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Net sales	2	2	7	3	8	4
Selling and administrative expenses	-9	-11	-28	-27	-28	-27
Operating profit	-7	-9	-21	-23	-20	-22
Dividend from group companies	0	0	0	0	0	0
Other net financial income/expense	-11	-11	-33	-34	-44	-45
Profit/loss after financial items	-18	-20	-55	-57	-65	-67
Group contribution	0	0	0	0	64	64
Profit/loss before tax	-18	-20	-55	-57	-1	-4
Income tax expense	-1	-2	-4	-5	-6	-6
INCOME FOR THE PERIOD	-20	-21	-59	-62	-7	-10

PARENT COMPANY BALANCE SHEET

Balance sheet (SEK m)	30 Sep		31 Dec
	2021	2020	2020
ASSETS			
Shares in subsidiaries	7,789	7,789	7,789
Deferred tax asset	46	50	50
Other financial assets	3	1	2
Total non-current assets	7,838	7,840	7,841
Receivables from Group companies*	0	0	69
Other trading assets	9	3	2
Cash and cash equivalents*	2	1	1
Total current assets	11	4	72
TOTAL ASSETS	7,848	7,844	7,913
Balance sheet (SEK m)	30 Sep		31 Dec
	2021	2020	2020
EQUITY AND LIABILITIES			
Shareholders' equity	5,224	5,446	5,509
Liabilities			
Borrowings	1,144	1,371	1,271
Provisions for pensions	4	2	3
Total non-current liabilities	1,148	1,373	1,273
Liabilities to Group companies*	1,458	1,002	1,108
Income tax liability	7	11	13
Accounts payable	0	1	0
Other current liabilities	11	11	10
Total current liabilities	1,476	1,025	1,131
Total liabilities	2,624	2,398	2,404
TOTAL EQUITY AND LIABILITIES	7,848	7,844	7,913

* The company is part of the Group wide cash pool with the subsidiary Coor Service Management Group AB as master account holder. The balance in the Group cash pool is accounted for as a current receivable or liability to Group companies.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS

Key performance indicators (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Net sales	2,428	2,297	7,203	7,102	9,691	9,591
Net sales growth, %	5.7	-7.8	1.4	-6.3	-1.5	-7.0
of which organic growth, %	5.0	-7.2	1.7	-6.8	-0.7	-6.8
of which acquired growth, %	0.8	2.5	0.6	2.4	0.7	2.0
of which FX effect, %	-0.1	-3.0	-0.9	-2.0	-1.5	-2.2
Operating profit (EBIT)	105	89	308	236	390	318
EBIT margin, %	4.3	3.9	4.3	3.3	4.0	3.3
EBITA	149	137	446	381	576	511
EBITA margin, %	6.1	6.0	6.2	5.4	5.9	5.3
Adjusted EBITA	150	140	456	403	610	556
Adjusted EBITA margin, %	6.2	6.1	6.3	5.7	6.3	5.8
Adjusted EBITDA	199	189	602	551	807	756
Adjusted EBITDA margin, %	8.2	8.2	8.4	7.8	8.3	7.9
Adjusted net profit	113	106	342	287	439	384
Net working capital	-812	-828	-812	-828	-812	-881
Net working capital / Net sales, %	-8.4	-8.4	-8.4	-8.4	-8.4	-9.2
Cash conversion, %	158	160	84	103	94	108
Net debt	1,322	1,372	1,322	1,372	1,322	1,207
Leverage, times	1.6	1.8	1.6	1.8	1.6	1.6
Equity/assets ratio, %	35	33	35	33	35	34

DATA PER SHARE

Data per share	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Share price at end of period	83.0	61.0	83.0	61.0	83.0	72.4
No. of shares at end of period	95,812,022	95,812,022	95,812,022	95,812,022	95,812,022	95,812,022
No. of treasury shares ¹⁾	-740,000	-340,000	-740,000	-340,000	-740,000	-340,000
No. of shares outstanding	95,072,022	95,472,022	95,072,022	95,472,022	95,072,022	95,472,022
No. of ordinary shares outstanding (weighted average)	95,072,022	95,472,022	95,281,616	95,472,022	95,326,479	95,472,022
Earnings per share, before and after dilution, SEK	0.73	0.61	2.13	1.48	2.65	2.00
Shareholders' equity per share, SEK	22.29	21.66	22.29	21.66	22.29	21.78

¹⁾To secure its financial exposure in accordance with the LTIP 19 and LTIP 21 long-term incentive programs, Coor undertook acquisition of own shares.

NOTES

NOTE 1 – ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. The applied accounting principles are consistent with those described in the Group's Annual Report for 2020.

The parent company financial statements have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board.

Due to rounding, some totals in this interim report may differ from the sum of individual items.

NOTE 2 – FINANCIAL INSTRUMENTS

The carrying amounts and fair values for borrowing, which are included in the category financial liabilities at amortised cost, are as follows:

(SEK m)	Carrying amount			Fair value		
	30 Sep		31 Dec	30 Sep		31 Dec
	2021	2020	2020	2021	2020	2020
Lease liabilities	300	342	330	300	342	330
Liabilities to credit institutions	144	342	241	144	342	241
Corporate Bond	1,000	1,000	1,000	1,000	1,000	1,000
Other non-current liabilities	2	31	31	2	31	31
Total	1,447	1,715	1,603	1,447	1,715	1,603

The existing credit margin in the Group's financing agreements is considered to be consistent with market terms, and the carrying amount therefore approximates fair value. The Group considers the liabilities to have been measured in accordance with Level 2 of the fair value hierarchy, which means that the measurement is based on observable market inputs.

NOTE 3 – ITEMS AFFECTING COMPARABILITY

Items affecting comparability are excluded from the measure of operating profit, adjusted EBITA, which the Group regards as the most relevant metric. The following table specifies the items affecting comparability that had an impact on earnings during the period.

Integration and restructuring comprise organic transactions as well as acquisitions. Integration costs refer, for example, to costs for integrating IT systems while restructuring refers to costs related to staff reductions. Acquisition-related costs refer exclusively to transaction costs.

Items affecting comparability (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Integration	-1	-1	-8	-17	-10	-19
Restructuring	-0	-2	-2	-5	-22	-25
Acquisition related expenses	-1	0	-1	0	-1	0
Other	0	0	0	-0	-1	-1
Total	-2	-2	-10	-22	-34	-46

NOTE 4 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

	30 Sep		31 Dec	
	2021	2020	2020	2020
Pledged assets (SEK m)				
Bank guarantees	137	128		127
Total	137	128		127
	30 Sep		31 Dec	
Contingent liabilities (SEK m)				
Performance bonds	174	172		169
Total	174	172		169

Parent company

The parent company has provided a parent company guarantee of SEK 31 (32) million covering financial obligations of the Finnish subsidiary in respect of leases and bank guarantees as well as a parent company guarantee on behalf of a subsidiary in Norway to ensure delivery to a major customer. The parent company has no other pledged assets or contingent liabilities.

NOTE 5 – ACQUISITIONS

Acquisition of R&K Service AS

On 1 March 2021, the acquisition of the company R&K Service, a well-run Norwegian family company that provides cleaning and restaurant services in the Stavanger region, was completed. The company has annual sales of around NOK 80 million.

The transaction costs for the acquisition, totalling SEK 0.2 million, have been recognised as an administrative expense in the income statement.

In conjunction with the acquisition of R&K Service, intangible assets were identified at a value of SEK 70 million (SEK 64 million net including deferred tax liability), of which SEK 26 million was allocated to customer contracts and SEK 1 million to trademarks. The remainder comprises goodwill. The goodwill that arose from the acquisition is primarily attributable to the employees' skills and to increased profitability in the form of expected synergies from the acquisition. No portion of the recognised goodwill is expected to be tax-deductible.

R&K Service AS increased consolidated sales by SEK 47 million during the period from 1 January to 30 September 2021. If the acquisition had taken place on 1 January 2021, the acquired business would have increased consolidated sales by SEK 59 million on a pro forma basis for the period from 1 January to 30 September 2021.

Acquisition of Veolia Technical Management

On 30 September 2021, Coor completed the acquisition of the operations in the business area Veolia Technical Management, part of Veolia Sverige AB. The business area has around 250 employees and annual sales of approximately SEK 500 million. The acquisition further strengthens Coor's offering and expertise in technical property maintenance.

The transaction costs for the acquisition, totalling SEK 0.5 million, have been recognised as an administrative expense in the income statement.

In conjunction with the acquisition of the business area Veolia Technical Management, intangible assets were identified in the form of customer contracts valued at SEK 70 million. The remainder comprises goodwill. The goodwill that arose from the acquisition is primarily attributable to the employees' skills and to increased profitability in the form of expected synergies from the acquisition. Recognised goodwill is expected to be tax-deductible.

The acquisition of Veolia Technical Management did not impact the Group's sales during the period from 1 January to 30 September 2021 since the acquisition was completed on 30 September 2021. If the acquisition had taken place on 1 January 2021, the acquired business would have increased consolidated sales by SEK 365 million on a pro forma basis for the period from 1 January to 30 September 2021.

Preliminary acquisition analysis (SEK m) 1)	R&K Service AS	Veolia TM	Totalt
Preliminary consideration paid	83	209	292
The assets acquired and liabilities assumed that have been recognised as a result of the acquisitions are the following			
Customer contracts	26	70	96
Trade marks	1	0	1
Property, plant and equipment	5	13	19
Cash and cash equivalents	19	0	19
Accounts receivable and other current receivables	13	50	64
Deferred tax liability	-6	0	-6
Lease liability	-5	-12	-17
Accounts payable and other current liabilities	-16	-19	-34
Acquired identifiable net assets	39	103	142
Goodwill	43	106	149
Total acquired net assets	83	209	292
Cash flow attributable to acquisitions for the period			
Consideration paid	83	209	292
Cash in acquired businesses	-19	0	-19
Net outflow, cash and cash equivalents	64	209	272

¹⁾ Preliminary figures - acquisition analysis not completed at the end of the period.

NOTE 6 – SHARE-BASED INCENTIVE PROGRAMMES

In accordance with a resolution of the Annual General Meeting, the Group introduced a target- and performance-based incentive programme (LTIP 2021) for senior executives and other key individuals in the Coor Group in May. LTIP 2021 has the same structure and framework as the incentive programmes launched in 2018 and 2019.

To qualify for the programme, participants will be required to own Coor shares that are allocated to the programme. Each participant will have the right to allocate a specified number of shares. For each invested share, participants will then be entitled to an allotment of target- and performance-based share rights at the end of the vesting period. The allotment of share rights depends on the extent to which the defined targets and performance conditions have been met during the performance period from 1 January 2021 to 31 December 2023. The employee is also required to retain his or her investment shares and remain an employee of Coor at the end of the vesting period. The vesting period will end in connection with the publication of Coor's interim report for the first quarter of 2024.

In total, the programme comprised a maximum of 100,250 investment shares with a maximum allotment of 446,500 performance-based share rights. The take-up of the programme was around 88 per cent, which meant that a total of 391,830 share rights were allotted on the issue date, comprising 87,020 share rights of series A, 217,790 of series B and 87,020 of series C. To ensure delivery of shares under the programme, the Annual General Meeting resolved to authorise the Board of Directors to acquire own shares.

The performance-based share rights are divided into three series:

- Series A – customer satisfaction index: The allotment of share rights of series A is contingent on the improvement in Coor's customer satisfaction index in relation to the defined targets.
- Series B – earnings performance: The allotment of share rights of series B is contingent on the improvement in Coor's earnings (adjusted EBITA) in relation to the adopted business plan.
- Series C – relative total return performance: The allotment of share rights of series C is contingent on the total return performance of Coor's shares in relation to a weighted average in a group of other companies (the benchmark group).

SELECTED KEY PERFORMANCE INDICATORS

PURPOSE OF SELECTED KEY PERFORMANCE INDICATORS

To give its investors and other stakeholders clearer information about the Group's operations and its underlying success factors, Coor has chosen to provide information about a number of key performance indicators. The purpose of these indicators is explained below. See page 30 for definitions of terms and the calculation of key performance indicators.

Growth

The Group deems that organic growth best reflects the underlying growth of the business, as this measure excludes the effect of acquisitions and fluctuations in exchange rates.

Earnings and profitability

To reflect the performance and profitability of the underlying business more accurately, the Group has defined key performance indicators in which earnings have been adjusted for items affecting comparability and for amortisation and impairment of goodwill, customer contracts and trademarks. The Group considers that adjusted EBITA is the measure of operating profit which most clearly reflects the underlying profitability. It is also based on this measure of earnings that the Group's segments are followed up and evaluated internally.

The adjusted net profit measure of earnings excludes the non-cash items amortisation and impairment of goodwill, customer

contracts and trademarks from consolidated net profit and is used as a basis for deciding on dividends to the shareholders.

Cash flow and working capital

Coor always works proactively to safeguard its cash flow, from both a working capital and an investment perspective. Coor focuses on analysing cash conversion, which is defined as the ratio of a simplified operating cash flow to adjusted EBITDA. The Group's target is a cash conversion of at least 90 per cent on a rolling 12-month basis. To ensure that the measure provides a true and fair picture over time, the Group calculates cash conversion using measures of operating profit and operating cash flow which exclude items affecting comparability.

To achieve the defined target for cash conversion, strong emphasis is placed on minimising working capital and maintaining negative working capital. The Group therefore continuously monitors the size of working capital relative to net sales.

Net debt and leverage

To ensure that the Group has an appropriate funding structure at all times and is able to fulfil its financial obligations under its loan agreement, it is relevant to analyse net debt and leverage (defined as net debt divided by adjusted EBITDA on a rolling 12-month basis). The Group's objective is to maintain a leverage of less than 3.0 times.

RECONCILIATION OF KEY PERFORMANCE INDICATORS

The following table shows a reconciliation between the calculated key performance indicators and the income statement and balance sheet.

Reconciliation of adjusted key performance indicators (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Operating profit (EBIT)	105	89	308	236	390	318
Amortisation and impairment of customer contracts and trademarks	44	48	139	145	186	193
EBITA	149	137	446	381	576	511
Items affecting comparability (Note 3)	2	2	10	22	34	46
Adjusted EBITA	150	140	456	403	610	556
Depreciation	48	49	145	148	197	199
Adjusted EBITDA	199	189	602	551	807	756
Income for the period	69	58	203	141	252	191
Amortisation and impairment of customer contracts and trademarks	44	48	139	145	186	193
Adjusted net profit	113	106	342	287	439	384

Specification of net working capital (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Accounts receivable	1,186	1,174	1,186	1,174	1,186	1,144
Other current assets, non-interest-bearing	347	295	347	295	347	256
Accounts payable	-578	-529	-578	-529	-578	-607
Other current liabilities, non-interest-bearing	-1,767	-1,769	-1,767	-1,769	-1,767	-1,674
Adjustment for accrued financial expenses	0	1	0	1	0	1
Net working capital	-812	-828	-812	-828	-812	-881
Specification of net debt (SEK m)	Jul-Sep		Jan-Sep		Rolling	Jan-Dec
	2021	2020	2021	2020	12 mth.	2020
Borrowings	1,146	1,373	1,146	1,373	1,146	1,273
Lease liabilities	300	342	300	342	300	330
Provisions for pensions	20	20	20	20	20	18
Cash and cash equivalents	-122	-345	-122	-345	-122	-396
Other financial non-current assets, interest-bearing	-21	-17	-21	-17	-21	-18
Other current assets, interest-bearing	-1	-1	-1	-1	-1	-1
Net debt	1,322	1,372	1,322	1,372	1,322	1,207

For a reconciliation of cash conversion, see page 20.

DEFINITIONS

Cost of services sold

Costs which are directly related to the performance of the invoiced services, depreciation of property, plant and equipment, and amortisation of goodwill, customer contracts and trademarks.

Items affecting comparability

Items affecting comparability mainly comprise costs for integration of contracts and acquisitions as well as more extensive restructuring programmes. Items affecting comparability are included either in cost of services sold or selling and administrative expenses.

EBITA

Operating profit before amortisation of goodwill, customer contracts and trademarks.

Adjusted EBITA

Operating profit before amortisation of goodwill, customer contracts and trademarks, excluding items affecting comparability.

Adjusted EBITDA

Operating profit before depreciation of all property, plant and equipment and amortisation of all intangible assets, excluding items affecting comparability.

Adjusted net profit

Profit after tax excluding amortisation of goodwill, customer contracts and trademarks.

Working capital

Non-interest-bearing current assets less non-interest-bearing current liabilities at the balance sheet date.

Net investments

Investments in property, plant and equipment and intangible assets less consideration received on sale of property, plant and equipment and intangible assets.

LTM

Rolling 12 months.

FTE

Number of employees on a full-time equivalent basis.

Equal opportunities

Gender distribution between men and women in managerial positions.

Employee motivation index (EMI)

Each year, Coor conducts a comprehensive employee survey with the help of an external research firm.

Customer satisfaction index (CSI)

Each year, Coor conducts a comprehensive customer survey with the help of an external research firm.

Scope 1–3

Scope 1 encompasses all direct greenhouse gas emissions. For Coor, this includes emissions from the combustion of fossil fuels from vehicles and machinery.

Scope 2 includes indirect emissions from energy use in the form of electricity, heating and cooling.

Scope 3 includes all other indirect emissions from purchased goods and services, business travel, capital goods, investments, employee commuting, waste disposal, upstream transportation and distribution.

CALCULATION OF KEY PERFORMANCE INDICATORS

Net sales growth

Change in net sales for the period as a percentage of net sales for the same period in the previous year.

Organic growth

Change in net sales for the period as a percentage of net sales for the same period in the previous year excluding acquisitions and foreign exchange effects.

Acquired growth

Net sales for the period attributable to acquired businesses, excluding foreign exchange effects, as a percentage of net sales for the same period in the previous year.

EBITA margin

EBITA as a percentage of net sales.

Adjusted EBITA margin

Adjusted EBITA as a percentage of net sales.

Adjusted EBITDA margin

Adjusted EBITDA as a percentage of net sales.

Working capital/net sales

Working capital on the balance sheet date as a percentage of net sales (rolling 12 months).

Net debt

Non-current and current interest-bearing assets less non-current and current interest-bearing liabilities at the balance sheet date.

Earnings per share

Profit for the period attributable to shareholders of the parent company divided by average number of ordinary shares outstanding.

Equity per share

Equity at the end of the period attributable to shareholders of the parent company divided by the number of shares outstanding at the end of the period.

Equity/assets ratio

Consolidated equity and reserves attributable to shareholders of the parent company at the balance sheet date as a percentage of total assets at the balance sheet date.

Cash conversion

Adjusted EBITDA less net investments and adjusted for changes in working capital, as a percentage of adjusted EBITDA.

Leverage/capital structure

Net interest-bearing debt at the balance sheet date divided by adjusted EBITDA (rolling 12 months).

TRIF (total recorded injury frequency)

Total number of injuries multiplied by 1,000,000 working hours. Injuries to and from the workplace are excluded.

Scope 1 CO₂ emissions

Emissions of CO₂ equivalents from purchased fuel for owned and leased machinery and vehicles per SEK in sales [tCO₂e/SEK million].

Scope 2 CO₂ emissions

Emissions of CO₂ equivalents from electricity, heating and cooling in the premises where Coor has operational control over its energy use per SEK in sales [tCO₂e/SEK million].



FOR FURTHER INFORMATION

For questions concerning the financial report, please contact our CFO and IR Director Klas Elmberg (+46 10 559 65 80).

For questions concerning the operations or the company in general, please contact President and CEO AnnaCarin Grandin (+46 10 559 57 70) or Director of Communications Magdalena Öhrn (+46 10 559 55 19).

More information is also available on our website: www.coor.com

INVITATION TO A PRESS AND ANALYST PRESENTATION

On 9 November 2021, at 10:00 a.m. CET, the company's President and CFO will give a presentation on developments in the third quarter in a webcast. To participate in the webcast, please register in advance using the following link:

<https://onlinexperiences.com/Launch/QReg>ShowUUID=B0067591-74D5-44FF-8917-B2923FBD886C>

To listen to the presentation by telephone, dial +46850558353 (Sweden), +4723500236 (Norway), +4578150110 (Denmark), +358923194478 (Finland) or +443333009266 (UK).

The briefing material and a recording of the webcast will be published on the company's website www.coor.com, under Investors/Reports and presentations, after the briefing.

FINANCIAL CALENDAR

10 February 2022	Interim Report January–December 2021
29 April 2022	Interim Report January–March 2022
15 July 2022	Interim Report January–June 2022
10 November 2022	Interim Report January–September 2022